# Daily Report

# Latin America

FBIS-LAT-89-188
Friday
29 September 1989

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*FBIS-LAT-89-188* *29 September 1989*

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## Cuba

### Foreign Minister Criticizes U.S. Foreign Policy

*FL2809011089 Havana Television Service in Spanish 0000 GMT 28 Sep 89*

[Text] Today Cuba denounced the United States for continuing with its policy of aggression and threat against revolutionary and independent countries of the Third World. Speaking at the United Nations, Cuban Foreign Minister Isidoro Malmierca said that Cuba and the nonaligned believe that a universal, honorable, and just peace requires not just the peace of the superpowers, but it also requires that underdeveloped countries benefit from the climate of detente.

Malmierca warned that the Cuban Government will not silently tolerate the television broadcasts against Cuba, which have destabilizing purposes, and that Cuba will respond to that new aggression.

The Cuban foreign minister called for solidarity with Panama and for the support of the Central American peace agreements. He also urged the organization to watch over the fulfillment of the Tripartite Agreements for southern Africa.

### Havana Calls Bush Speech to Bankers 'Deceitful'

*FL2809181889 Havana Radio Rebelde Network in Spanish 1700 GMT 28 Sep 89*

[Station commentary]

[Text] The speech given by President George Bush to world bankers was deceitful. It was assumed that the U.S. leader would focus yesterday's speech on the drama of Third World indebtedness. Nevertheless, Bush relegated the principal problems of poor countries to third or fourth place so that he could discuss the main problem of the United States—drugs. He also placed more importance on the topic of Poland than on the debt problem.

From our point of view, this is cynical, but not surprising. U.S. prepotency is a stereotype. The United States' problem is more important than the problems of more than 100 poor nations. The United States' objective, in relation to several West European countries, is more important than underdeveloped countries' objectives, in relation to the three-fourths of humanity that they represent.

In addition, the speech might as well have never existed. It was nothing new.

Bush advised the bankers to conduct their work in a centripetal fashion in socialist countries, and he said the same to a certain group of renegades disguised as reformists. He also asked the finance men to abstain from laundering drug trafficking money.

What did Bush say of the debt? It was pure rhetoric. He said that the debt is a consequence of the inefficient, fantastic, and inflationary economic policies of Third World nations. However, one need not worry because the Brady plan is the magic wand that will solve everything in addition to following to the letter the economic adjustments recommended by the IMF.

Just thinking about these meetings of the holy barons of finance must seem to the Third World to be a lack of respect.

### Risquet Attends Meeting in Bulgaria

*FL2809115689 Havana Tele-Rebelde Network in Spanish 1100 GMT 28 Sep 89*

[Text] In Varna, Bulgaria, Jorge Risquet Valdes, member of the Politburo and secretary of the Central Committee of the Communist Party of Cuba, has warned about the direct relationship that exists between the current arrogance of the imperialists and his estimation that the disintegration of socialism is in progress.

Risquet, who is attending an international meeting of secretaries from communist and workers parties from socialist countries, said that the PCC feels it is entirely just and necessary to strengthen the communists ties of cooperation and solidarity in view of an international situation that he described as being complex, difficult, and dangerous. He also called attention to the fact that the most aggressive circles in the United States and Great Britain do not take into consideration the aspirations of the people and have not really renounced the arms race.

In addition, Risquet described the advances made under the Cuban rectification process under the leadership of Fidel and the PCC.

### Foreign Trade Minister Arrives in Pyongyang

*FL2709203389 Havana Radio Reloj Network in Spanish 1945 GMT 27 Sep 89*

[Text] A Cuban governmental delegation has arrived in Pyongyang, DPRK, and it is headed by Foreign Trade Minister Ricardo Cabrisas. The Cuban group will participate in the 13th session of the commission for economic and scientific-technical consultation which will be carried out between the two governments.

### Machado Ventura Tours Military Facilities

*FL2909013089 Havana Television Service in Spanish 0000 GMT 29 Sep 89*

[Text] Bauta and San Jose municipalities in Havana gave a demonstration exercise of the maneuver called 30th Anniversary of the Triumph of the Revolution. The party members, who compose the time of war study group, carried out a tour of the province which began at the Esperon Fortress in Bauta.

Afterward, they watched an episode of aggression in the coastal zone of that municipality in which the local

territorial forces participated in cooperation with regular troops of the Revolutionary Armed Forces. They also toured the provincial school for the Territorial Troops Militia. The students at the school demonstrated the level they have reached in the practical and theoretical classes during the school year.

The group also visited the military preparation center of this municipality. Combatants, internationalists from the brother countries of Angola and Ethiopia, participated in this tour.

At the end of the visit, Ramon Machado Ventura, member of the Communist Party of Cuba Central Committee Politburo, emphasized the quality of the visit.

[Begin Machado Ventura recording] In conclusion, we wish to recognize everyone, and I think we have everyone's support in this. We can convey this recognition not only on behalf of the leadership, party, and leaders of our revolution but also on behalf of all of you who have participated in the meeting. The meeting has turned out very well, it achieved its goal. I think the most important part of it is the experience attained and how you will use it now in each territory, province. [Words indistinct] following the norms, guidelines, and deadlines for each of these activities. [end recording]

### Officials Welcome 340 Returning Internationalists

*FL2809114189 Havana Tele-Rebelde Network in Spanish 1100 GMT 28 Sep 8*

[Text] More than 340 internationalist combatants have returned to the fatherland after fulfilling their honorable mission in Angolan territory. The internationalists arrived last night on two flights from the People's Republic of Angola.

The two groups of internationalists were received by Pedro Miret, member of the Politburo of the Communist Party of Cuba [PCC]; Abelardo Alvarez, member of the PCC Central Committee; Brigade General Rene Nunez Alvarado of the Revolutionary Armed Forces; Colonel Rolando Bustamante of the Interior Ministry; and other leaders from political and mass organizations.

The brave Cuban soldiers and officers wear several medals on their chests.

## Antigua and Barbuda

### Ministry Announces Establishment of PRC Embassy

*FL2809144789 Bridgetown CANA in English 1413 GMT 28 Sep 89*

[Text] St. John's, Antigua, Sept 27, CANA—China has agreed to establish an embassy in Antigua and Barbuda, the Ministry of Foreign Affairs has announced.

"During a meeting with the Prime Minister (Vere Bird Sr.) it was agreed that the People's Republic of China would establish a diplomatic mission at the level of an embassy in Antigua and Barbuda," a release from the ministry said.

Earlier this month the non-resident ambassador of China accredited to Antigua and Barbuda, Lu Zongquing, and his first secretary made an official visit here and held discussions with Bird and Deputy Prime Minister and Foreign Affairs Minister Lester Bird.

Antigua and Barbuda and China established diplomatic ties in 1983 and since then both countries have entered into bilateral agreements relating to development cooperation.

## Haiti

### Avril Interview on Election, Strike Plans

*FL2809135589 Port-au-Prince Radio Metropole in French 1600 GMT 26 Sep 89*

[Text] [First announcer] The electoral calendar and the strike that has been called for tomorrow remain the big news topics of the day. Our colleague Michael Norton questioned Lieutenant General Prosper Avril, the president of the military government, on these subjects. We are going to hear a portion of this interview.

[Second announcer] The president of the military government granted an interview to our colleague Michael Norton, of the daily radio show entitled "Tell Me." This interview provides answers to a number of questions and apprehensions people have concerning both the current economic crisis and the elections. Here is reporter Clarens Renois with the first account of this interview.

[Renois] At 1900 this coming Sunday, we will be able to hear the entire interview. During this interview, the interviewer, our colleague Michael Norton, was at times aggressive, at times daring in asking his questions that cover the 3 long and painful years of the transitional period following the departure of Duvalier. In this interview, Norton will of course dwell on this past year, managed by Gen Prosper Avril since 17 September 1988.

Well, let's get to the point. On the agenda, of course: the elections, the economic crisis, and the strike.

First, regarding the elections and particularly the calendar published by the government, Gen Avril says he intends to follow through on the statements he has made and keep his promises: to not interfere in the work of the Permanent Electoral Council [CEP] and to respect its independence.

We published the calendar exactly as it was submitted by the CEP, without making any changes in it whatsoever because we want to respect the commitment we have made, confides Gen Avril to Norton in this interview.

Another promise made by Gen Avril: The security of the citizenry and that of the CEP officials will be guaranteed, so that the future elections can unfold properly.

[Begin recording, in progress] [Norton] ...two kinds of elections: the repressed elections of 29 November and the rigged elections of 17 January. The Army's role in the repression and in the rigging is clear.

Insecurity is at an all-time high. Cite Soleil is terrorized. People's organizations—for example, the People's National Assembly, the Labadie Youth Movement, the Comme il Faut cooperative action group, the Star of Life [a Catholic Youth Group] the National Committee of the Congress of Democratic Movements, and the Communist Party—are the targets of aggression. Gregory Delpe has been murdered.

Are we heading—with the complacency, if not complicity, of the Army—toward minority elections, meaning elections that are honest and free and [words indistinct]?

[Avril] No. Hold on a minute, no. [laughs] For these elections.... [changes thought] That's why I think we have a lot of work to do. The first thing that had to be done was to really take the Army back in hand. All these things were not really in harmony with the (?way) the economic situation (?looked).

We are hoping to, next year.... [changes thought] I mean, this will be a year of work, political debate, and elections. We think that if we can really find a way to put the Haitian people to work and a way to maintain the structure of the Army, we are going to solve these problems.

Anyway, I'm sure it's not going to be like 29 November or 17 January because, in reference to what happened on 29 November, we are going to have enough time to condition the Army, to make it an institution in the service of democracy and development.

Now, regarding what happened on 17 January, well, we are going to stay out of things. This CEP is really an independent CEP, appointed by people from the political associations. Therefore, I don't think there are (?any doubts) about this.

I just hope we will be able to find enough means to put people back to work and to finalize and carry out our task of restructuring the Haitian Armed Forces.

[Norton] The election calender has just been published. Did you accept the CEP's recommendations as submitted? Didn't you make some changes?

[Avril] We have always said we accepted it. Nobody has ever believed it, even though we have said it. We have maintained it. There were no changes whatsoever made. None whatsoever. We did not even change a comma!

The calendar was presented officially in the morning, at 1030 or 1100. By 1500 or 1600 National Haitian Radio was already broadcasting the calendar, and by evening it was already on television. All this is to show our willingness to do things and to maintain the CEP's independence. Our task now is to provide the CEP with the money it needs to function and second, the security that both the CEP and the population need to participate in the elections.

[Norton] It is being said that you put out the calendar to defuse the strike.

[Avril] [laughs] First of all, you must know that, at the level of the people, I don't think that it is a strike that.... [changes thought] When the Haitian people participate in this kind of thing, it is because they are afraid that some kind of trouble might break out in the streets, etc. The population does not really participate in these kinds of things, which are not going to lead to anything.

We could not have put the calendar out to defuse something like this. We put the calendar out as we had promised to do, in keeping with the commitment we made to respect the CEP's decisions.

The CEP gave us a calendar. We did not want to give the impression that we were studying it to see if we should change it or not. We were given the calendar. I gathered my ministers to say: Here is the calendar. We are going to publish this calendar.

They were thus informed, and the calendar was published.

We did this with no purpose in mind other than to show that we have respected our commitments, kept our word. [end recording]

[Renois] Regarding the strike called for Wednesday 27 September, the president of the military government says that it is too late to call for the dissolution of the agreement already concluded between the government and the International Monetary Fund. Faced with an imminent economic catastrophe, the government had its back to the wall and was forced to take measures to redress the situation.

Gen Avril reproaches political and union leaders by saying that, instead of calling for a strike, they should have sought the path of dialogue.

[Begin recording, in progress] [Avril] ...a few days from our conference on poverty, really, you saw that the government had to take measures. However, you must also understand that a government is sometimes forced to take measures. Sometimes, to save what still can be saved, one must make sacrifices and restore the nation's image.

You must have noticed, for example, that at present we have a big problem. There isn't even any bread. What's going on?

Well, the government made a superhuman effort and accepted a PL-480 contract, which was to provide us with wheat. So what happened? Well, the first shipment arrives, and the wheat turns out not to be the kind of wheat that our flour mill usually grinds.

We are not accusing anybody. All we can say is: The Haitian people have no luck! The wheat that arrives can't go through our mill. So, we start using the reserves hoping the second ship will arrive as scheduled, on 20 September. However, the second ship does not come in. There was talk of difficulties with the motor, etc. The arrival of the second ship is rescheduled for 28 September.

Meanwhile, the government, which is confronting a lack of foreign currency, has to go around looking for foreign currency to import flour to distribute to the bakeries. Then what happens? The ship that was to arrive last Thursday or Friday is delayed because of Hurricane Hugo. Once again, it is the Haitian people who are, as usual, affected. [preceding sentence in Creole] So now we are told that this ship, which was to have arrived on the 28th, will be arriving on 3 October.

When a government experiences all these things.... [changes thought] I am not accusing anyone of doing this purposely. However, maybe it would have been better for everyone, together with the government, to take a look at what was happening. [end recording]

All these matters, as well as others—for example, matters in connection with security, human rights, elections, the economic crisis, and so forth—were discussed during this interview Gen Avril granted Michael Norton. They will be presented in the course of our different newscasts this week.

The interview in its entirety will be broadcast on 30 September over Michael Norton's program "Tell Me" on Radio Metropole at 1900. This is Clarens Renois for Radio Metropole.

## Diverse Reaction to Proposed Election Calendar

*FL2809142089 Port-au-Prince Radio Metropole in French 1600 GMT 26 Sep 89*

[Excerpts] There is diverse reaction in political circles to the political calendar made public last Friday [as heard].

The coalition made up of the Movement for the Organization of the Country, MOP; Mobilization for National Development, MDN; and National Agricultural and Industrial Party, PAIN, rejects the calendar.

Serge Gilles of the Nationalistic and Progressive Revolutionary Party of Haiti, Panpra, accepts the calendar. He feels the Provisional/Permanent Electoral Council, CEP, is the only body responsible for organizing the elections.

The Unified Party of Haitian Communists, PUCH, sees in the calendar a government maneuver to divert attention from the mobilization against the high cost of living and the climate of insecurity. [passage omitted]

Two other party heads, Serge Gilles of the Panpra and Dejean Belizaire of the National Patriotic Movement of 28 November, have made separate statements on the electoral agenda. However, the alliance to which these two organizations belong has not made any statement on the calendar. [passage omitted]

Serge Gilles says: I would like to see elections held as soon as possible. However, as a democrat, I must accept the CEP's decisions.

[Begin Gilles recording] [Passage omitted] I imagine the CEP is going to have problems, but it would have problems whatever formula it chose. Its job is to find a solution to the problems. That is what we ask of it. [passage omitted]

Only the CEP has the authority to modify the draft agenda that it has put out. [passage omitted] I will accept the modifications if it does modify the agenda. I myself would suggest that it modify it and hold elections much sooner. [passage omitted]

The job of this country's authorities is to take measures to provide greater security. The nation's authorities should listen to the Haitian people's demands a bit more closely, if they really want to set Haiti on the path to democracy and development. [passage omitted]

I suppose that if the Haitian authorities really want peaceful elections to be held, they should take measures to calm the Haitian people down, measures aimed at satisfying the Haitian people's most pressing demands. [end recording]

Marc Bazin's Movement for the Establishment of Democracy in Haiti, MIDH, had not yet been heard from yesterday on this draft electoral agenda and calendar.

Other leaders contacted by telephone, caught off guard by the publication of the agenda, refused to make any statements for the time being, claiming they had to call a meeting of their respective general staffs before making any official statements.

The National Committee of the Congress of Democratic Movements, Conacom, which became a political party 2 weeks ago, feels the calendar is too long and too complicated. Here is [Conacom Secretary General] Victor Benoit.

[Begin Benoit recording] [Passage omitted] It is too long because it allows the provisional government to stay in power for another 18 months. Given the economic crisis suffocating everyone and the insecurity threatening the Haitian people, we really think that 18 months is too long.

We think the calendar is too complicated because the CEP is asking the Haitian people to vote in elections on eight different Sundays. This will demobilize the population. It might not have the staying power necessary to persevere for the entire long process. We are afraid that this might allow the forces of death—the antidemocratic forces—to get together in the areas where elections are being held and intimidate people and prevent the popular candidates from being victorious.

For all these reasons, Conacom asks the CEP to review the draft and to present a shorter and simpler electoral calendar, so that a definitive government can be sworn in May of 1990. [end recording]

We note that Conacom seized this opportunity to express its complete support for the strike called for 27 September.

The draft agenda published by the government is received with indifference by the left. The secretary general of PUCH [Rene Theodore] thinks that by publishing the agenda the government is trying to divert the Haitian people's attention from the current juncture, which is characterized by a high cost of living and insecurity.

[Begin Theodore recording] In the countries where partial elections are held, there is an established electoral institution that can at all times determine where the citizens are and what district they are registered in by the method of a permanent ongoing census. Now, this is a country where there are no censuses taken, where no real preparation has been made to establish rigorous electoral rolls based on a precise identification of the voter and on a voter's residency in a given electoral district. And you tell me you are going to hold partial elections in several departments? This means you are opening the way to pretense and fraud.

We find it very difficult for people to seriously think there will be honest and worthwhile elections, with such measures being taken under the conditions that prevail in Haiti today. [end recording]

Among the reactions, we must also take into account the reaction of the U.S. State Department, which declares itself to be encouraged by the development of the current situation in Haiti. The State Department also denies that Bernard Aronson's recent visit to Haiti pushed the Haitian Government to publish the electoral calendar. [passage omitted]

## General Strike Paralyzes Port-au-Prince

*FL2809143589 Port-au-Prince Radio Metropole in French 1600 GMT 27 Sep 89*

[Excerpts] Activities are paralyzed today in Port-au-Prince as the result of a general strike called by some 30 union and political organizations to demand the rescinding of the agreement concluded with the International Monetary Fund and to protest the high cost of living and the climate of insecurity. There is no public transportation in Port-au-Prince. Stores did not open. Street vendors did not lay out their wares along the sidewalks and the marketplaces are practically empty. However, the public services are functioning. A notice from the Directorate of Information issued yesterday reminded government employees and officials that they are obliged to be daily at their posts during regular working hours. [passage omitted]

There are some private vehicles on the streets. [passage omitted]

In the provinces the strike was only partially adhered to in Cap-Haitien, where certain stores did open. There has been, however, a clear slowdown in public transportion.

AFP estimates that the industrial park in Port-au-Prince is operating at 15-25 percent capacity.

In Jeremie too, the strike is being partially adhered to, according to our correspondent.

[Begin (Zamy) recording, in Creole] This strike has paralyzed almost all activities in Jeremie. There is almost no activity in the public marketplace and in commerce. The buses between Jeremie and the rest of the Grande Anse are operating cautiously. However, the bus between Jeremie and Port-au-Prince did not hesitate to depart this morning. [passage omitted] [end recording]

In the upper central plateau, support for the strike movement had been expressed by the MPP, Papaye Peasants Movement. However, today is market day in Hinche and the strike is not being adhered to at the marketplace. Furthermore, antigovernment tracts have appeared in Hinche.

[Begin Hinche correspondent Alex Joseph recording, in Creole] [Passage omitted] Public transportation is partially paralyzed. At 0930, a truck left for Port-au-Prince. At approximately 1115, another vehicle left for Port-au-Prince. The vehicles that go to Thomassique, Pignon, and Maissade are still at the terminals. They have not one single passenger. Almost none of the stores has adhered to the strike. Only a few stores that were already closed remained closed. [passage omitted] The public marketplace is full of people going about their business. Public offices are functioning normally. [passage omitted]

On the other hand, another thing gaining the attention of all observers in the central plateau, specifically in Hinche, is that on this strike day, the streets are full of tracts saying many nasty things about the government of General Prosper Avril, such as: "Down with poverty," "Down with Prosper Avril," "Long live the revolution," and "Long live 8 August 192." [year as heard] [passage omitted] [end recording]

The rescinding of the recent agreement signed between the Haitian Government and the IMF is one of the demands of this 27 September strike. Why is this agreement received so negatively by the population? Nancy [Roc, Metropole journalist] has looked into this.

[Roc] [Passage omitted] The population is still wondering about what the clauses of this agreement contain and what the agreement calls for. We are therefore going to try to throw some light on this issue, which has given rise to so much negative reaction in our country. In order to do so, we interviewed economic journalist Henri Alphonse.

First of all, Alphonse explained to us that contraband costs Haiti $300 million in illegal imports and $60 million per year in unpaid customs duties. [passage omitted]

Alphonse said that the Chamber of Commerce had suggested to the military government that the government equally spread the austerity throughout all the nation's economic sectors, as well as among the public sector. [passage omitted]

The Chamber of Commerce reportedly also asked the Haitian Government to revise the policy dictated by the IMF, because (?this policy) could lead only to catastrophic results in the Haitian economy. [passage omitted]

Here is Henri Alphonse, who is an economic journalist with LE NOUVELLISTE.

[Begin recording] [Alphonse] Such agreements generally remain confidential, you know. It is always through leaks that we learn things, which we always try to verify, and so forth. We have often been able to learn enough about what is in the agreements to be able to comment.

These agreements provide, first of all, for the Haitian Government to reduce public expenses, which is called social expenditures. The shock treatment, this medicine strong enough to cure an ox, advocated by the IMF in the debtor countries, is the same everywhere. [passage omitted] That is, reduce expenditures in education, agriculture, public health, and so forth....

[Roc, interrupting] When we are already in a crisis?

[Alphonse] Already in worse than crisis! [passage omitted] This is catastrophic for a country like Haiti. [passage omitted]

As for increasing the government's income, we have already seen the first results. There is an ever increasing number of merchants who are soon going to run out of stock because, first of all, they can't obtain the foreign currency necessary to import and, second, because there are import restrictions. Of course this leads to an artificial shortage of certain products, because we don't produce but merely consume. We are mainly consumers. Thus, this leads to a rise in prices and then there is an increase in inflation.

The IMF also demanded that the government make an effort in public administration. Well, it is true that there is a certain amount of resistance to this. The government chose to penalize the most underprivileged instead of making the proper efforts. However, I think that sooner or later they will have to comply with the request. It is very important for the government to reduce personnel in the public administration. Of course, Minister Thelusma said during his last news conference that he would not have to fire personnel from the public administration. However, we know that people are already being fired. [passage omitted] All this for $23 million which will not even remain in the public coffers.

[Roc] Whereas—going back to what we were talking about before—if there had in fact been austerity in all sectors in Haiti, or even just a stop put to contraband, the government would not have had to sign this agreement?

[Alphonse] Right. Exactly. Absolutely not. [passage omitted] [end recording]

We remind our listeners that in a recent report mentioned in our newscasts, the United Nations condemned the policy of the IMF. A UN committee of experts has strongly criticized the IMF's adjustment policy toward the countries of the Third World—a Third World to which we belong.

## Trinidad and Tobago

### Government Eases Exchange Controls of Imports

*FL2809231589 Bridgetown CANA in English 2204 GMT 28 Sep 89*

[Text] Port-of-Spain, Sept 28, CANA - The Central Bank of Trinidad and Tobago has eased foreign exchange controls on the importation of mainly agricultural and industrial items from a negative list. The bank's new provisions take effect from September 30, and this will free over 60 per cent of merchandise imports from direct control.

It is part of the government's commitment to the 14-month International Monetary Fund (IMF) standby program which calls for a liberalization of trade restrictions. The action removes the need for importers to apply for a trade allocation certificate, as was the case when restrictions were imposed by the government as part of its overall foreign exchange control plan. But all other existing procedures for the purchase of foreign currency for these imports remain in force.

Among the major items listed for exemption are metal ores and concentrates, inorganic chemicals, organic chemicals, pharmaceuticals, fertilizers, tanning and dyeing extracts, miscellaneous chemical products including fungicides, herbicides and insecticides, artificial resins and plastics, iron and steel and their products [words indistinct] and spares and precision instruments.

The government has also announced that capital goods imports in excess of TT500,000 dollars (one TT dollar : 23.5 U.S. cents) involving plant expansion or new investment projects must first be submitted to the exchange control department for assessment.

The administration gave the assurance that "where all the necessary relevant supporting document is provided, (the) exchange control (division) should respond within four weeks of the final submission of the project".

The gradual dismantling of controls started in January 1988 and was enhanced with the granting of foreign currency accounts to export manufacturers.

## Cabinet Committee Studies Oil Problems

*FL2909022589 Bridgetown CANA in English 0037 GMT 29 Sep 89*

[Text] Port-of-Spain, Trinidad, Sept 28, CANA - A four-member ministerial team was on Thursday night holding a series of negotiations with two state oil companies and the powerful Oilfields Workers' Trade Union [OWTU] amidst threats of escalated strike action in the south Trinidad oil belt.

The team appointed at cabinet's regular Thursday meeting consists of Labour Minister Dr. Albert Richards, Energy Minister Herbert Atwell, Industry Minister Ken Gordon, and National Security Minister Selwyn Richardson.

The team first met with representatives of the Trinidad and Tobago Petroleum Company (Trintopec), now facing the 11th day of OWTU strike action, and the Trinidad Marine Company (Trinmar), which faces strike action from Saturday. The team then moved into a late night meeting with the OWTU, representing over 1,000 workers at Trinopec and 500 at Trinmar. The strike and the threat of further industrial action were triggered by disagreements over pay for oil workers.

Talks between the OWTU and the country's largest oil company, Trintoc (Trinidad and Tobago Oil Company), were put on hold Thursday as the cabinet team attempted to deal with the troubles.

A similar stalemate has been reached in wage negotiations between the OWTU and Trintopec and Trinmar. The Trintoc wage offer for the period 1987-1990 had been even less than the other companies had offered.

Trinmar and Trintopec offered a three per cent hike over a three year period, and the union countered with a seven per cent offer.

Trintoc offered no pay hike, while the union wants a seven per cent increase for the company's workers. Today was to have been the final day of the negotiation period with Tintoc.

Trinopec workers went on strike September 17. Trinmar workers are expected to strike this weekend.

The strike has meant a loss to the country of petroleum dollars at at time when prices have improved. Petroleum represents over 70 per cent of the government's revenue.

## El Salvador

### Fighting Resumes During Peace Negotiations

#### FMLN Offensive 'Mistake'

*PA2909044789 San Salvador Canal Doce Television in Spanish 0340 GMT 29 Sep 89*

[Text] Colonel Rene Emilio Ponce, chairman of the Joint Chiefs of Staff, said today that the offensive launched on 26 September by the Farabundo Marti National Liberation Front, FMLN, was a mistaken step taken by the rebels within the context of the dialogue process with the government, which was resumed in Mexico.

Col Ponce said that with this attitude the rebels are not showing a real desire for peace, and he described it as a propagandistic action.

Today, during his tour of various areas of conflict, Col Ponce said that recent FMLN attacks on various military positions as part of its latest campaign following the unilateral truce was a serious mistake on the part of the rebel commanders, as they have been carried out in the midst of a dialogue between the rebels and the government, which has been described as continuous.

[Being Ponce recording] That shows there are, on the one hand, the proposals and what the terrorist leaders call their desire for peace, and, on the other hand, the real actions. I think that the campaign the FMLN has mounted nationwide was a bad step, because it does not show a real and sincere desire to seek peace in our country. [end recording]

Colonel Ponce added that the request for reducing the number of troops as stated in the guerrilla proposal is a political move. He played down the latest rebel offer presented to the government in Mexico.

[Begin Ponce recording] The proposal was aimed at improving the FMLN's image abroad, which had deteriorated in one way or another. The proposal can be discussed; however, we in the Armed Forces are not the ones who will discuss it or who will decide whether it can or cannot be accepted. It is a political decision, and the Armed Forces will accept the decision made by the government. The military commanders are not the ones who must decide on the number of troops the institution should have. This is a decision to be made by the Legislative Assembly, based on the requirements and threats the country may be facing. [end recording]

Colonel Ponce visited the positions of the Army's Belloso and Atlacatl elite battalions in the towns of Perquin in Morazan Department and La Laguna in Chalatenango Department, near the Honduran border, where fighting is taking place. During this military tour, Col Ponce said that it has been demonstrated that there is no liberated or permanently occupied territory in El Salvador. However, the rebels claim they control that area of intense conflict where the war has left its indelible mark.

### Villalobos on Negotiations

*PA2809231989 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 27 Sep 89*

[Interview with Commander Joaquin Villalobos, member of the FMLN General Command, by unidentified reporter on 26 September; place not given—recorded]

[Text] [Reporter] Comrade Joaquin Villalobos, people's organizations have been subjected to much repression lately. Also, the FMLN attended a dialogue meeting. What are your comments on this?

[Villalobos] [Passage indistinct] In Mexico City we said that the government should take our proposal seriously and negotiate with us. We said that the entire nation should pay attention to it and struggle together to bring about a genuine democracy in the country. We said that there is no room for unjust and illegitimate wars, but if there is fascism, dictatorship, and repression there will be a war, a legitimate war. Thus, as we started new actions today, we asked our combatants to be the standard-bearers of peace and democracy in our country.

[Reporter] In regard to the operations the FMLN started today, a government spokesman said that they jeopardize the dialogue process and the upcoming meeting in Costa Rica. What is your opinion?

[Villalobos] We are committed to the accord reached in Mexico—that neither party should withdraw from the dialogue and negotiation process once it has started. Government spokesmen are claiming that our actions, which are legitimate and are in keeping with the country's reality, are jeopardizing the dialogue meetings. They are doing this because they are probably planning to break the accord reached in Mexico.

In our communique we reiterated that we will maintain flexible positions and continue negotiating. However, we must first establish the conditions on how to reach a cease-fire and an accord to end the war.

[Reporter] It appears that the government, military, and civilian spokesmen—and even President Cristiani himself—have been arrogating the right to speak for the FMLN. For example, it has been unilaterally said that peace is attainable if the FMLN stops waging a war. What is your opinion?

[Villalobos] Their position is somewhat absurd. First, let us analyze why the war started. War started because of a lack of social justice and democracy; and neither of these exist today. Furthermore, the country has moved backward in those areas. The country is facing a fascist threat, a new kind of dictatorship.

Given that war was brought about by a lack of democracy, we cannot stop it now and trust that democracy will be reinstated by those who have maintained a dictatorship. That would not be logical. The most logical thing to do is to discuss the FMLN's proposal that establishes the

bases for a genuine democratization. A genuine democracy can be established if the conditions mentioned in that proposal are met. The armed struggle could be ended in this way. There is no other way to achieve that.

That is why we said that the FMLN will not continue this struggle alone. In this final phase, we have seen a number of forces coming together. In fact, we are not even planning to assume the leadership role.

There are those who are close to us, that is, our combatants. Today they participated in military operations that play a very important role in our efforts to democratize and bring about a genuine peace, a lasting peace in our country. There are also those involved in the people's movement, who in the past few days have taken the brunt of the situation. This clearly shows the existence of a Fascist threat, a Fascist threat that I would blame on an elitist economic policy, gradual restrictions on freedom of speech, and a hardline repressive policy. I would blame it on those three factors and perhaps on a fourth one too: an attempt to establish a social paramilitary base. This is the aim of all social and economic projects of ARENA [Nationalist Republican Alliance].

We are contributing to the effort to stop fascism and bring about a genuine democracy. The basis for a negotiation in El Salvador should be that democracy precedes peace. Our communique states that we are searching for democracy and peace. We mention them in that order because if we were to seek peace first, as the government wants, we would have the peace of death.

[Reporter] You referred to combatants and the people's movement. However, in the past few days other people have been in the forefront of the struggle against the fascist regime; that is, the FMLN maimed. What is your opinion about their plight and attitude?

[Villalobos] The struggle of the people's movement involving individuals who wage important battles without weapons is quite admirable. I believe that the struggle of the war maimed is twice as admirable. They are not only waging a battle without weapons, but with their mutilated bodies.

The people's movement is experiencing very trying moments. It is facing repression. This shows the regime as it really is. The maimed have also dealt a very important blow: They have exposed the brutality and stupidity of Army leaders who set up antiriot cordons, surrounded the cathedral, and threatened people who are unable to walk or are missing a limb [words indistinct]. It is really a heroic struggle much like the ones that many maimed comrades have waged from their jails. They have opened the way for other comrades to leave the country.

I think this is to be added to the fact that all of the people's forces who have taken up the banner of peace and democracy, even the war-disabled, have contributed to our effort with their sacrifice.

## Negotiations Not Jeopardized

*PA2809224089 Paris AFP in Spanish 1841 GMT 28 Sep 89*

[Text] The Hague, 28 Sep (AFP)— The resumption of combat on 26 September in El Salvador does not jeopardize the peace negotiations between the government and the FMLN, two representatives of the Salvadoran opposition said today at The Hague in separate interviews with AFP.

The 10-day truce ordered unilaterally by the FMLN on 15 September "is over," Ruben Zamora, secretary general of the Social Cristian People's Movement, briefly stated.

"It is not realistic"...and it would even be "dangerous" to observe a cease-fire before the negotiations started, he emphasized.

"A truce is always very fragile," Zamora stressed. If the peace negotiations were linked to an armed truce, these negotiations would be permanently threatened with being broken and then the cease-fire would become "a very powerful weapon for both parties," he added.

For his part, Gerardo Le Chevalier, secretary of international relations for the Christian Democratic Party, said that the 26 September clashes that left a toll of 40 dead—according to rebel and military sources—should be seen "in the context of a war that has been going on for 8 years." Le Chevalier emphasized that the FMLN "accepted a 10-day truce and it kept its word."

He pointed out that the guerrillas and the government of President Alfredo Cristiani signed an agreement in Mexico on 15 September that established the rules of the next peace negotiations that are to be held on 16-17 October in Costa Rica.

Contrary to the FMLN that "has clearly said what it is willing to give in order to achieve peace," no one so far has seen any plan of the government of President Cristiani, when there are only 3 weeks left for beginning the negotiations, Zamora stated.

This attitude of the government could become an "obstacle" for the negotiations, he advised.

The only thing the government has done so far is bringing up "procedural" issues, Le Chevalier said, adding that President Cristiani is "an entrepreneur who looks at the FMLN as if it were a labor union" that is trying to obtain some concessions.

Both politicians urged the Western governments to exert pressure on President Cristiani by suspending their assistance for development until the president clearly pronounces himself in favor of a "substantial democratization" of the country that will include a political debate with all the Salvadoran groups, including the FMLN.

The representatives of the Salvadoran opposition praised the participation of the church as a "witness" in

the peace efforts. Zamora said the church is the only national group that can "legitimize" the dialogue and give it any credibility before the national and international communities.

The participation of the church has been "absolutely indispensable," Le Chevalier said. "We believe that it is important there be a witness of an undeniable moral quality" in this dialogue between the government and the rebels, he added.

Both Zamora and Le Chevalier are in The Hague to attend a private 2-day seminar devoted to "El Salvador after the elections," in which Cristiani of the Nationalist Republican Alliance (ARENA) won.

### National Policeman Killed by Unknown Gunmen

*PA2809124889 San Salvador Radio Cadena YSKL in Spanish 1210 GMT 28 Sep 89*

[Text] National policemen were the target of a machinegun attack a few hours ago along the Los Proceres Highway, in front of the Catholic University. According to reports, the policemen were on duty when unidentified individuals riding in a private vehicle with license plate number 142239 opened fire on them.

Policeman Manuel de Jesus Gonzalez Borja was killed in the attack, while another policeman, Nelson Guerrero Mendez, was seriously wounded and taken immediately to the military hospital in San Salvador.

### Military on Recent FMLN Attacks, Clashes

*PA2809151689*

[Editorial Report] San Salvador Canal Doce Television in Spanish at 0300 GMT on 27 September broadcast three 5-minute reports on clashes between FMLN [Farabundo Marti National Liberation Front] guerrillas and Salvadoran Army troops and on FMLN bomb attacks in San Salvador and other parts of the country.

The first report says that information coming from Chalatenango Department states that FMLN rebels attacked Military Detachment No 1 beginning at 0200 on 26 September, and that Colonel Hernan Martinez, Military Detachment No 1 Garrison commander, reports 50 FMLN rebels to have attacked the garrison. The report states that according to Col Martinez various civilians were seriously wounded during the attack. The report includes statements by Col Martinez, who says: "The rebels used RPG-2's, rifle fire, and other grenades. As you can see, some grenades hit the building; one officer and two soldiers were wounded. The attack lasted until about 0300."

The report goes on to say that 4th Infantry Brigade Commander Colonel Ciro Lopez showed the press all the materiel confiscated from the FMLN during a clash on the night of 25 September. The report adds that at Estanzuela Canton, "special troops detected" the presence of a 150-man rebel column, "which planned to attack El Paraiso Garrison early on the morning of 26 September." The report adds that, as a result of the clashes with the FMLN column, 12 rebels were killed and the Armed Forces confiscated "41 homemade mortars that used 81-mm rockets."

A second report by Alfredo Villareal says that 1st Infantry Brigade Commander Col Francisco Elena Fuentes reiterated that despite the FMLN attacks carried out on Army positions early on the morning of 26 September, the Armed Forces would continue to support the government in the dialogue with the rebels. Col Elena Fuentes said that as a result of clashes that took place "within his area of responsibility, five soldiers were killed and two were wounded on Las Guaras Bridge and Miningo Canton, Suchitoto Jurisdiction."

Concerning the continued support of the Armed Forces for the peace talks between the government and the FMLN, the report includes statements by Col Elena Fuentes who says: "We are an obedient and disciplined organization. We follow the orders of the Army High Command and President Alfredo Cristiani, the commander in chief of the Armed Forces. They will give us our orders and we will carry them out."

To conclude, the report says that Col Elena Fuentes regretted that the FMLN is carrying such attacks while the dialogue process is underway. The report includes statements by Col Elena Fuentes on this. He says: "I believe these attacks give a bad image to the FMLN at the meeting in San Jose."

The last report states that various FMLN attacks were carried out in San Salvador and other areas of the country on the night of 26 September. The report states that military sources reported a bomb exploding at a spare parts store in downtown San Salvador without inflicting any casualties. The report adds that one public bus was "set on fire by FMLN urban commandos at Ibo neighborhood in San Salvador." The report goes on to say that a heavy clash between FMLN rebels and Army troops took place at the 8 km marker of Los Planes de Rengueros road.

The report adds that heavy clashes between Army troops and FMLN rebels took place in Berlin, Usulutan Department, and Suchitoto, Cuscatlan Department.

The report says that a Housing Funds branch in the city of San Miguel was blown up while a restaurant in the same city was straffed. "No reports on casualties have been received concerning the aforementioned attacks," the report concludes.

### Rebels Attack Chalatenango

*PA2809124989 San Salvador Radio Cadena YSKL in Spanish 1220 GMT 28 Sep 89*

[Report by Jose Salomon Ayala from Chalatenango]

[Text] FMLN guerrillas staged an attack early this morning on the Sierpe military base, located in the

neighborhood of the same name, in the southeastern section of the city of Chalatenango.

So far, the results of the attack are unknown since it has continued sporadically throughout the morning.

A military source who reported the information said that the rebels began their attack at 0351 this morning with rifle fire. Air Force units came to the aid of the soldiers who were responding to the rebel attack.

The military source said that more details will be released in the course of the morning on this guerrilla attack, the second this week. Two days ago, the rebels attacked Military Detachment No 1, causing property damage, killing one soldier and wounding three others.

### FMLN Reports 26-27 Sep Attacks, Clashes

*PA2809175689*

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to EL Salvador at 0000 GMT on 28 September broadcasts 20 minutes of military reports on clashes between Farabundo Marti National Liberation Front [FMLN] guerrillas and Salvadoran Army troops between 26 and 27 September.

The first report says that on 27 September the FMLN carried out attacks on Salvadoran Army units in 18 different towns, inflicting "dozens of casualties," including four officers. The report adds that the FMLN rebels captured nine prisoners of war and confiscated "1 81-mm mortar with 20 grenades; 1 60-mm mortar with 11 grenades; 1 90-mm cannon with 4 rockets; 2 M-16 machineguns; 24 M-16 rifles; 3 LAW rocket launchers; 4 M-79 grenade launchers with 100 grenades; 4 RPC-77 communication radios; and 62 backpacks."

The report goes on to say that during this "national maneuver," the FMLN forces damaged the Chalatenango and San Francisco Gotera military headquarters, the El Pacayal communications base, and a cooperative facility. The report says: "We sabotaged four small planes, blew up one bridge, and destroyed a 105-mm howitzer."

The announcer says 11 FMLN combatants were killed during the 27 September operations. The next report concentrates on attacks in San Salvador. The report says that at 1945 on 27 September FMLN urban guerrillas occupied Planes de Renderos and attacked the local Civil Defense headquarters, inflicting eight casualties. The report adds that during the attack the FMLN guerrillas seized one pistol and some secret garrison documents.

The report adds that urban guerrillas sabotaged spare parts stores and harassed Civil Defense installations in San Salvador on the night of 26 September.

The report also says that at 0200 on 26 September guerrilla units attacked Army positions on Glorieta Hill, Sensuntepeque, inflicting 10 casualties and seizing four backpacks and two cartridge belts. The report concludes by saying that FMLN guerrillas also attacked Sensutepeque Jail security personnel.

The next report is a "last minute-report" from Amate Canton, Cabanas Department, saying that "at this moment" an Army company is being surrounded in Amate, that clashes are taking place in that area, and that "the enemy has sustained many casualties."

Another report says that at 0800 on 27 September FMLN forces ambushed a Treasury Police vehicle on the Northern Trunk Highway at the 17-km marker, wounding 17 soldiers. The report adds that at 0900 on 27 September FMLN guerrillas inflicted two casualties on Military Detachment No 2 troops on the road between Sensuntepeque and Ilobasco.

The same report concludes by saying that FMLN guerrillas ambushed a military patrol in Texistepeque jurisdiction, wounding one corporal.

The next report from Ciudad Barrios says that a guerrilla column entered Ciudad Barrios, detonated dynamite charges, and distributed propaganda early in the morning of 26 September.

The same report says that on the morning of 26 September FMLN guerrillas ambushed 1st Infantry Brigade troops near Ciudad Delgado, inflicting "approximately 15 casualties." The report adds that "an ambush that took place on the San Salvador-Santa Ana Highway, near Palo Negro Canton, resulted in approximately 15 Army casualties and the partial destruction of a military truck."

The report adds that on the morning of 27 September FMLN guerrillas ambushed an Army truck near San Rafael Cedros, Ilobasco jurisdiction, inflicting four additional casualties.

The final report concludes by saying that on 27 September FMLN rebels occupied positions in Calle Nueva between Suchitoto and San Martin, inflicting a total of 23 Army casualties in two attacks.

## Guatemala

### Cerezo Discusses Violence, Contra Demobilization

*PA2909001789 Madrid EFE in Spanish 2142 GMT 28 Sep 89*

[Text] New York, 28 Sep (EFE)—Guatemalan President Vinicio Cerezo stated today that neither the government nor the Guatemalan Army are interested in repression and added that, right now, the new wave of violence in the country "results in more problems than benefits."

In an interview granted to EFE, Cerezo said that he has tried to create the conditions "to produce a climate of long-term stability" and the killings done by ultrarightist groups go against this effort.

Cerezo denied reports by nongovernment sectors estimating the number of murders committed by the death squads at more than 200 in the past 2 months; Cerezo said that the figure is less than 50.

He blamed "certain rightist and fascist groups" for the kidnappings, torture, and murder of unionists, journalists, and students done "to promote instability in the country." He did not rule out that these groups include "former security forces' officers," whom he is willing to bring to trial.

However, he said that there are "accusations, suspicions, and fears" but not enough evidence to convict them in a trial.

He added: "The world is convicting us before we are tried" and this is due to documents and reports from opposition sectors and human rights organizations. However, he maintained that this negative propaganda is not in line with the truth.

He commented that "certain rightist forces give some leftist forces an excuse to continue exisiting abroad."

Cerezo remarked that the climate of political violence is aimed at destabilizing and discrediting democracy in the eyes of the world, and at creating a need to return to a dictatorship with the excuse that the system is unable to avert criminal acts.

The Guatemalan president added: "for this reason, we have said that we need the support of the international community to increase our ability to control terrorist groups."

Cerezo stressed that the democratic current prevailing in Latin America has greatly benefited Guatemala.

Regarding the deadline established at the Tela meeting for the demobilization of the contras who settled in Honduras, he said that, at the time, it seemed "reasonable" in view of the political opening in Nicaragua and the assumption that most rebels were willing to return to Nicaragua or settle in third countries.

He said: "but reality is imposing another plan" and the United Nations, which is in charge of implementing the plan, has to follow certain procedures that are delaying the established deadlines.

However, he noted that the United Nations participation in this effort guarantees impartiality and the certainty that any delay will be due to objective, not political reasons.

He concluded: Guatemala calls for cooperation with this demobilization, any humanitarian aid should be aimed at speeding it up instead of delaying it.

## Government Denies Rumors of Cabinet Changes

*PA2909023689 Guatemala City LA PRENSA LIBRE in Spanish 28 Sep 89 p 2*

[Text] Claudia Arenas, secretary of public relations at the Presidency, said on 27 September that Cabinet changes are not expected in Guatemalan President Cerezo's Cabinet because the administration must fulfill the 500-Day Program.

There have been persistent rumors to the effect that President Cerezo may be thinking of rotating at least three of his ministers; nevertheless, Arenas categorically stated that there is no plan to make any changes.

Arenas also referred to the speech President Cerezo delivered at the UN General Assembly, where he reiterated his administration's determination to combat drug trafficking.

President Cerezo recently said that it cost Guatemala a good deal of money to control drug trafficking and that the beneficiary of this effort is the United States, taking into consideration that country's large-scale drug consumption.

In contrast to this statement, at the UN General Assembly the president changed his opinion and even confirmed his interest in establishing a permanent council against the use and abuse of drugs and alcohol.

Arenas admitted that violence had increased during the months of July and August to the detriment of various sectors. However, she said that the security forces are working jointly to counteract this problem.

## Unusual Troop Movements Generate Coup Rumors

*PA2909011289 Paris AFP in Spanish 0004 GMT 29 Sep 89*

[Text] Guatemala City, 28 Sep (AFP)—An unusual movement of troops during the night of 27 September in the Guatemalan capital gave rise to rumors about a coup which were immediately denied by the Army.

On 27 September there was heavy troop movement, tanks, and helicopters in the vicinity of the Honor Guard which is one of the main Army garrisons in this capital while President Vinicio Cerezo was attending the UN General Assembly meeting in New York.

An Armed Forces spokesman told AFP that "everything is normal. Last night's military exercises were routine drills we always conduct."

A presidential spokesman said that acting President Roberto Carpio "is doing his normal work today, as he usually does."

Cerezo, Guatemala's first civilian president since 1970, charged on 18 September that groups of persons, whom he did not identify, were hatching a violent plot against Guatemala's democracy.

In May 1988 and May 1989, there were coup attempts in Guatemala that were promoted by officers and rightist civilians.

### Situation Said 'Normal'

*PA2909012589 Hamburg DPA in Spanish 0005 GMT 29 Sep 89*

[Text] Guatemala City, 28 Sep (DPA)—Guatemalan Government spokeswoman Claudia Arenas said today that the situation in Guatemala is normal and there has been no coup attempt as has been rumored by "interested sectors."

There is no ongoing military operation as has been rumored, she said.

The spokeswoman confirmed that only Treasury police are conducting an operation in Solola Department, in western Guatemala, against poppy and marijuana growers as part of the fight against the drug trafficking.

### Gramajo Blames Leftists, Traffickers for Murders

*PA2809142689 Buenos Aires REUTER in Spanish 2339 GMT 27 Sep 89*

[Text] Guatemala City, 27 Sep (REUTER)—The Guatemalan defense minister has blamed drug traffickers and leftist guerrillas for the recent murders and disappearances of students in Guatemala.

General Hector Alejandro Gramajo told REUTER during an interview this week that "we have identified those who are responsible."

Gramajo pointed out, while commenting on the recent slaying of five university students and the disappearance of at least five more, that "we have reason to believe that drug trafficking was the cause in three cases."

"Those responsible in the other cases are the URNG (the guerrilla organization Guatemalan Revolutionary Unity) and rightwing terrorists who have been throwing the bombs," he said, referring to the dozen explosions that have taken place in the Guatemalan capital since July.

Gramajo said that the regional summit held in August in Honduras, a nationwide teachers strike, and the URNG's absence from the multisector talks for national reconciliation have sowed division inside the national university council. He hinted that URNG sympathizers have murdered or kidnapped those who are most moderate.

"All of these factors have triggered a political struggle in the University Students Association," Gramajo said, declining to refer to any specific cases, or to comment on the future of the investigations.

The defense minister blamed the judicial system for the government's failure to prosecute persons implicated in the murders.

"The well-known saying about law students applies perfectly to Guatemala," he said. "The most studious students work for the people's good, those ranking next make a great deal of money, and the least studious ones work for the government."

"The true problem in Guatemala is the judicial system," he remarked.

Gramajo pointed out that the judiciary's powerlessness may pave the way for figures of previous military regimes to make a comeback, including General Efrain Rios Montt, who ruled Guatemala for 16 months beginning in March 1982.

Rios Montt is contending for the presidency in next year's elections under the promise of restoring law and order.

When questioned about the resurgence of the rightwing, Gramajo said: "These people want to discuss security, violence, and communism. They do not want to talk about improvements in health, salaries, or education. They want to discuss matters that belong in the past."

"If we return to the old path, the political violence will increase," he asserted.

### 'White Hand' Death Squad Issues Communique

*PA2809153589 Panama City ACAN in Spanish 1407 GMT 28 Sep 89*

[Text] Guatemala, 28 Sep (ACAN-EFE)—Guatemalan security forces are investigating the possible resurgence of the "death squad" known as the "White Hand," which in a communique has threatened 109 persons, including European ambassadors and Guatemalan Government officials, military figures, and deputies.

"White Hand" was active in Guatemala at the end of the sixties and early seventies. During the de facto regime of Colonel Enrique Peralta Azurdia (1963-1966), one of the group's leaders, Estuardo Lorenzana, was killed when he fell from a church tower while being pursued by police.

During the administrations of Julio Cesar Mendez and Carlos Arana—1966-1970 and 1970-1974, respectively—several terrorist actions were attributed to "White Hand." Until this communique was issued—to which ACAN-EFE has access—the clandestine group had not been heard from since 1974. In the communique, the group warns that "we are compelled to take justice into our own hands once again."

The "death squad" is accusing Austrian consul in Guatemala Ernesto Dieter of "smuggling cars stolen in the United States and Central America." It also accuses the Taiwanese and Italian ambassadors of being "corrupt," without providing further details on the charges.

In this message, the "death squad" claims responsibility for the murder of four Guatemalans because they were

"traitors, drug traffickers, and members of the Guatemalan Labor Party (PGT, Communist)."

The "White Hand" accuses Vice President Roberto Carpio, Defense Minister General Hector Alejandro Gramajo, Luis Alfonso Cabrera, secretary general of the ruling Guatemalan Christian Democracy (DCG), and Guatemala City Mayor Alvaro Arzu of being "corrupt."

It also accuses the Minister for Specific Affairs, Sara Mishaan, her sister Diana, Claudia Arenas, public relations secretary of the Guatemalan Presidency, and Culture and Sports Minister Ana Isabel Prera of "practicing prostitution."

It also mentions former Interior Minister Juan Jose Rodil, opposition Deputy Oliverio Garcia, DC [Christian Democracy] Deputy Ramiro de Paz, and Jorge Serrano, presidential candidate for the Solidarity Action Movement (MAS) as "targets" of their attacks for being "drug traffickers."

In its communique, "White Hand" describes Education Minister Ricardo Gomez; Jorge Carpio Nicolle, presidential candidate for the Union of the National Center (UCN); and other opposition deputies and political leaders as "drug addicts and homosexuals."

It accuses several private businessmen of being "mafiosos" and of "whimsically controlling the government for their own benefit."

When asked to comment on the "White Hand" bulletin, the defense minister said that it warrants investigation.

He gave assurances that he would ask organizations under his command to pay special attention to this matter because of the document's appearence, its resemblance to past messages, and because the crimes involved "deserve an in-depth analysis."

When asked whether this organization could be linked to terrorist actions in Guatemala, Gramajo said that he prefers to wait for the opinion of the analysts, "because this is a curious document that lashes out at everybody."

Deputy Interior Minister Cesar Augusto Morales said that security forces are investigating the authenticity of this document.

However, he pointed out that this could be a communique aimed at "confusing the public and security forces."

Morales said that "we have control over the groups that could be involved in these kinds of crimes and that are taking justice into their own hands."

He added that there has been a resurgence of the so-called "death squads" because the suspects "are being very closely monitored by the police."

Government spokeswoman Claudia Arenas played down the credibility of the document and said that the information contained in such bulletins "are often untrue" and "try to confuse the public."

When asked about the possible resurgence of "death squads," Arenas said that "such things definitely make no sense in a country that is enjoying a democracy."

## Relatives Search for Missing Political Leader

*PA2809152089 Guatemala City Teleonce Television in Spanish 0400 GMT 26 Sep 89*

[Text] The wife of political leader Lionel Sisniega Otero requested on 25 September that the authorities and the Supreme Court of Justice inquire of President Vinicio Cerezo and the ministers of defense and government about the possible arrest of her husband.

According to the extensive request by the lawyer of the Sisniega Otero family, Jose Carlos Acevedo Chavarria, the search for the political leader has thus far been unsuccessful, and it has been impossible to clarify if he is in one of the installations of the Political Police of the Presidency of the Republic, also known as the archives (archivos).

[Begin recording] [Acevedo Chavarria] I went to the Supreme Court of Justice at 0624 and took the necessary steps to establish the whereabouts of Lionel Sisniega Otero. Moreover, I requested a report about Sisniega Otero's arrest from the Presidency of the Republic, specifically the Defense Ministry, because this is a political office under the Presidency. It used to be called the Regional Telecommunications Office (Regional de Telecomunicaciones). I do not know if any of you recall this type of police installation.

I understand there are reports here to the effect that there are several secret prisons in Guatemala, which is, obviously, regrettable. Even worse is that Sisniega Otero's whereabouts are still unknown despite press reports to the effect that he has been detained. Sincerely, we fear for his physical well-being. We do not know if at this very minute he is being subjected to psychological and moral coercion. [end recording].

On 25 September, government spokesmen denied that there is a secret police organization called The Archives. Also, they stressed that the Army's Intelligence Services are responsible for any intelligence issues.

Concerning Sisniega Otero's case, military spokesman Colonel Arturo Issac stated that Sisniega Otero is not at any Army installation, adding that the military police are trying to locate him.

According to the preliminary investigation, Sisniega Otero is reportedly staying in the residence of one of his friends, and if so, the tribunals could issue a judicial order to search it.

### Electric Workers Union Leader Shot to Death

*PA2809220389 Panama City ACAN in Spanish 1953 GMT 28 Sep 89*

[Text] Guatemala City, 28 Sep (ACAN-EFE)—Jose Leon Segura, union leader of Guatemala's National Electrification Institute, was shot to death by unidentified assailants, it was reported today in this capital.

Members of the labor union of the state-owned enterprise said that Segura, 34, was secretary of the union's branch in Zacapa Department, in eastern Guatemala.

The sources added that the union leader was attacked by unidentified men as he left his residence in Chiquimula and that he died as a result of two gunshot wounds in his chest.

The union said today that the government and the security forces are responsible because of their "inability" to protect and guarantee the physical safety of the Guatemalan population.

A document issued by the union says that this action "confirms that the country is experiencing a new wave of violence that is intended to terrorize the population, but most particularly the leaders of the people's movement."

The union asks the government to halt the acts of violence against the civilian population, to solve Segura's murder, and to punish those responsible for it.

Members of the National Federation of State Workers Unions today asked the government for protection for their leaders because they have received death threats in the last few days.

## Nicaragua

### President Ortega Addresses Maimed Fighters

*PA2909022489 Managua Radio Sandino in Spanish 1930 GMT 28 Sep 89*

["Excerpt" of statements by President Daniel Ortega on the "Face the People" program with maimed war veterans at the Olof Palme Convention Center in Managua; broadcast in progress—live]

[Text] ... the problems that have not been solved will be solved in the future. For example, many of you discussed a very sensitive issue in your letters: housing. I have explained that problem. As I told you, we must first prepare a list to know which of you need land and contruction material so that we can provide you with them. This process has been under way, but we must establish a deadline to fulfill all of your demands, region by region. We need to know how many of you are renting homes and how much you pay for rent, so that we can find a way to help you pay that rent. You all have made proposals to that effect. Those of you who have homes will not request housing because you have that problem solved.

Another problem that many of you mentioned is the land problem. This problem will be dealt with through the agrarian reform in order to guarantee the distribution of lands at cooperatives to comrades who served the fatherland, were wounded in combat, and are now suffering physical problems or limitations. This policy is not new. The revolution had approved and enforced it, although not fully.

It is important for you to remain alert in the different regions so that when we come there you can state your problem. As I explained to you, on 29 September, for example, the comrades with land problems in Jalapa will be at a meeting with the producers. There they will have an opportunity to discuss their land problems. A comrade from agrarian reform will be there, and he will find a way to solve the land distribution problem.

You also need tools to work with. It is important for all of you to work. Some of you are working, and some of you are not. It is most important that you work. One of your most frequent complaints has been job discrimination. You have also asked for identification cards, and we have approved the creation of a new identification card, a different card. A fine will be imposed on anyone who fails to honor these identification cards. We have responded positively to many of your demands, but there are other demands which we have not been able to respond to positively because we do not want to deceive you or falsely promise solutions we cannot fulfill.

Our political resolve is what matters. After the revolution's victory I met with comrades who were maimed during the war of liberation. I held long talks with them about their actions and ways to support themselves and contribute to their physical rehabilitation. Throughout the past 10 years I have held regional meetings with you. We have not had a national meeting, but we have met in regions.

Whenever I go to a region I am always faced with top priority issues, such as those involving the mothers and relatives of the heroes and martyrs, as well as the issue of comrades maimed in combat who have problems like the ones you have stated. Every time there is a "Face the People" program these issues emerge. When I visited Ocotal I spoke with a group of female comrades about treatment for the comrades maimed in combat. After that "Face the People" program I stayed on to discuss the problem with them.

### Americas Watch Official Visits Juigalpa Jail

*PA2809132389 Managua Radio Sandino in Spanish 1200 GMT 27 Sep 89*

[Text] Americas Watch Vice President Stephen Kass confirmed in Juigalpa yesterday that there is no clandestine jail called Asuncion, as recently reported to that international organization by the rightist Human Rights Commission.

The alleged Asuncion Jail was supposedly located at the Sandinist Police headquarters in Chontales Department, where there have been no detainees for the past 8 months, following a decision by the authorities.

First Lieutenant Javier Obando, the Police commander in Chontales, said that in the past, military men under investigation were kept there due to the lack of security at the police cells.

Americas Watch Vice President Kass confirmed that there are 998 inmates in Juigalpa, of which 226 are in jail for their counterrevolutionary activities.

Kass inspected the cells one by one, observing minute details and asking the necessary questions. He also met in private with inmates who are under arrest due to counterrevolutionary activities, to have an overall picture of how human rights are respected in Nicaragua.

During his tour in Juigalpa, Kass was accompanied by Vilma Nunez de Escorcia, president of the National Commision of Human Rights Development and Protection.

### Violeta Chamorro Appeals to Expatriates

*PA2809153689 Managua LA PRENSA in Spanish 18 Sep 89 p 2*

[Speech by Violeta Barrios Chamorro, presidential candidate of the National Opposition Unity, in Miami—date not given]

[Text] I have come with great pride today to this city—a city that became great thanks to the drive of a people that preferred freedom and exile to dictatorship. A city that became great thanks to the drive of the Cuban people, a courageous and rebellious but also progressive and hard-working people. The Cubans proved how much men are worth when they decide to be free. Using the trail blazed by the Cubans, another rebellious people came here and are also making this city great. I am referring to my people, and I have brought a message for them: The bell of freedom is ringing in Nicaragua! The time has come to make our small and long-suffering homeland great!

In my first trip outside the country as the presidential candidate of the National Opposition Union (UNO) and at my second big rally, I have come here to ask my compatriots to join me in the struggle that will free Nicaragua in February.

We believed in 1979 that it was worth fighting together to form a national government in which all would be represented and all would participate in the making of a new republic, which was what that historical moment demanded. However, the Sandinists never understood what Nicaragua wanted. They only understood what their masters, the Soviet Union and Cuba, were ordering them to do, and they spoiled that historical moment.

In the beginning, they had working for them a revolution supported by an entire nation, with a heroism that knew no bounds, and they used this to deceive others. However, they wasted this opportunity. In the beginning, when a Nicaraguan traveled abroad, everyone would look at him with respect. We were well-liked by the rest of the world. Ten years later, we have lost what we worked so hard for, and the current government is a beggar government that tours the world with an outstretched hand. It is a government that has made Nicaragua the poorest country on the continent. The Sandinists' international revolution ended up this way. Instead of leading and maintaining our national revolution, they put an end to everything. They declared themselves enemies of the United States, turned hostile to the democracies that had helped them, oppressed poor peasants until they were forced to take up arms, censored newspapers and radio stations, and expropriated property owned by businessmen and humble market vendors.

There was not a single Nicaraguan who was not directly or indirectly affected by the Marxist-Leninist dictatorship. We have had no respite: repression, war, the recruitment of the young, and the cordoba devaluations. Destruction and death, that is what the Sandinist revolution is.

But I think that the time has come to rise from the rubble and brandish the banner of hope. I think that was the banner that was stained with blood when my husband was murdered. It is the banner of Nicaraguan brotherhood. It is the banner of unity against the dictatorship. It is the banner of freedom and justice. It is the banner of democracy. It is the banner I have picked up at this critical hour. It is the banner of UNO, because we are once again one [wordplay on the acronym UNO]. It is the banner under which Nicaragua will be a republic again.

It is a very big sacrifice to brandish this banner under the current conditions in Nicaragua because the Sandinists are using the most slanderous words, lies, vile deeds, and showing great disrespect. One feels that it is necessary to wade through mud to achieve freedom. However, it is also an honor. It is an honor to represent the heroic fighters who have maintained their opposition against all odds. It is an honor to represent those who have maintained their opposition to an ideology that goes against man and the history of Nicaragua. It is an honor to represent those who have fallen, who have been persecuted or incarcerated because they defended democracy. It is an honor to represent sons who were forced to die for an oppressing party and mothers who were forced to grieve because of a totalitarian party. It is an honor to be a symbol of the unity of all those who want a free nation and fatherland. It is an honor to represent the Nicaragua of mothers and widows who cry. It is an honor to unite all those who desire renconciliation among the Nicaraguan people so that Nicaragua can be a good home to return to, the home of the fraternal embrace, the home of peace.

We have a hard, perhaps heroic campaign ahead of us. We will win, and that victory will bring us a truly democratic, pluralist, and free government imbued with a deep human and Christian sentiment. In the UNO program, we guarantee—a guarantee backed by all the

Nicarguan democratic forces—a government with three separate branches: a democratic representative government that respects human rights, free enterprise, religion, and religious freedom. We do not want any one to leave Nicaragua because of poverty, persecution, or discrimination.

And I ask you, why were you forced to leave your country? For lack of freedom? The new government will work to guarantee forever the freedoms of all Nicaraguans. Did you leave your country because of the threat of militarism? The new government will work to reduce the Army to the minimum, to have an Army that will not be a burden to the people, that will not be a threat, that will not be a shame like the Sandinist Army that has served to threaten Central America. It has sacrificed a generation of 150,000 young men, who have lost their chances for an education or who were sent to die, instead of creating opportunities for them in life and exposing them to culture.

Did you leave your country because there were no opportunities, or because the CDS [Sandinist Defense Committee] was making life impossible for you, or because the communist commissars did not give you a chance to work? All that will be over when the people hand the new government its victory.

We will offer our frienship to the United States and to the democracies of the free world. We will regain our ability to obtain credit. There will be a free market for the merchant, for the industrialist, for anyone who has an enterprising spirit, and the cordoba will overcome inflation. We shall recover the good salaries and the justice the workers are demanding. We are not going to carry out a "world revolution" but a humble revolution for a people to recover their liberty and their capacity to produce, to work. That is why I come to ask my brothers for their encouragement and solidarity.

Brothers, I have come with a message of unity. It is a time when the fatherland asks as a first duty for everyone's support to achieve liberty in the fatherland. We are struggling to obtain the votes of the exiles. We shall exert pressure with all the might of the free world to obtain them. Those who are able to return to Nicaragua, return. Each of you add your little grain of sand so that Nicaragua can become a republic. While I ask you for this help, I also ask the United States for two things: to truly understand the sufferings of those in exile by granting Niacaraguans a legal provisional status and a permit to allow them to work until they return voluntarily to help rebuild Nicaragua; and to provide a great deal of political support and material aid so that February's elections will be clean and fair.

Nicaraguan friends, the die is cast! We are going to face the threat of a new, lying, and deceitful Sandinism. A Sandinism that does not live up to its agreements; that talks of socialism but has set up big personal businesses; that recruits youths to defend it and instead brainwashes them. The die is cast. In the face of this adversary, which has forced into exile a tremendous number of people like never before in our history; in the face of this adversary that produces war, exiles, and repression, democracy has raised its flag. It has raised its flag in Miami, among thousands of banished Nicaraguans, offering to open the fatherlands' doors to seek reconciliation for those who want to return. With all the generous aid from all the Nicaraguan, Cuban, and Hispanic communities in Miami, we shall open the doors to peace. We will open the doors to peace in the way that I feel today— with a fully open heart hoping for our liberation; hoping for a free and democratic Nicaragua that will hug to its breast all its children.

Long live Nicaragua! Thank you.

## Godoy Threatens To Withdraw From Candidacy

*PA2809235689 Managua Radio Sandino in Spanish 1930 GMT 28 Sep 89*

[Text] A few hours prior to reaching the deadline established by the Supreme Electoral Council [CSE] for the presentation of candidates, the National Opposition Union [UNO] has been unable to agree on its deputy slate.

Throughout the entire day on 27 September, UNO discussed this issue and the quota of deputy candidates assigned to each party. These issues disrupted the right-wing coalition's quiet tension. The discussion became heated when some of the parties attempted to gain more deputies at the expense of the Independent Liberal Party [PLI] because PLI President Virgilio Godoy was nominated as UNO's vice presidential candidate. On 27 September Godoy abruptly left the meeting and said he was willing to withdraw his list of candidates and his own nomination if the PLI was only assigned five deputies who, in addition, would be placed in a very disadvantageous position on the electoral ballots.

I did not go about seeking votes to be the vice presidential candidate, Godoy shouted angrily, in response to his party's apparent disadvantage regarding the National Conservative Party [PNC], Conservative Popular Alliance [APC], Liberal Constitutionalist Party [PLC], and National Democratic Confidence Party [PDC].

Leaving the meeting with Godoy were Guillermo Selva, PLI representative to the UNO, and Jaime Bonilla.

In exclusive statements for Radio Informaciones newscast, PLI leader Jaime Bonilla confirmed that vice presidential hopeful Virgilio Godoy threatened to withdraw his vice presidential candidacy if UNO does not reconsider granting the PLI a larger number of candidates for election to the National Assembly during the next elections.

[Begin Bonilla recording] The fact is that the party was in a very low position on the lists in regions which, while important, are not exactly crucial. Since our complaints went unheeded, we decided to protest by walking out of the UNO meeting on 27 September, because we did not note a desire to reach an agreement.

[Reporter] There are some very small parties in the UNO, one of which is the PDC, while the PLI was the third largest party in the 1984 elections. Would you agree to being lower on the lists than these parties?

[Bonilla] What we must do is attempt to reconcile each party's realities—which is what we do within the UNO—and accept their main interests. Therefore, the PLI would be incapable of affecting the PDC's main interests, just as it would be incapable of affecting the interests of the Socialist Party of Nicaragua or that of the National Action Party [PAN], which does not have legal status. Because it lacks legal status, that does not mean it has no rights. I believe the PAN has rights because it sits at UNO's table, and UNO stands for the unity of 14 political organizations that share equal rights, which can participate in the distribution of electoral positions for the 25 February 1990 elections.

[Reporter] It has been said that Godoy threatened to resign on 27 September.

[Bonilla] This is part of the protest that the PLI made on sincere and brotherly terms. Godoy's vice presidential nomination need not be referred to in order to avoid solving the problems the PLI has presented regarding the sole list of deputies. However, I said in the end that the only thing that matters is the list, and UNO is very important if we are to topple the Sandinist National Liberation Front [FSLN] on 25 February 1990. This cannot be accomplished with ambitions which—as I have repeated—fall beyond each party's real context. There should be possibilities and opportunities to solve each parties' problems. These problems should be confronted with reasonable solutions because reason must prevail. [end recording]

## PLI Suspends 6; Supports UNO Candidates

*PA2809175489 Managua Radio Catolica in Spanish 1130 GMT 25 Sep 89*

[Report by Joaquin Absalon Pastora]

[Text] Joaquin Mejia Mejia, Juan Manuel Gutierrez Gutierrez, Salvador Gaitan Fonseca, Antonio Gomez Sobalbarro, Bayardo Guzman Martinez, and Ulises Somarriba Jarquin were suspended on 24 September as members of the Independent Liberal Party [PLI] for 1 year. They have been separated from their posts in the party. The resolution of the PLI special meeting held on 24 September at the Ticomo Hotel reads:

1. We completely support the party's integration into the National Opposition Union [UNO] and the UNO decisions, because the desire of the majority of Nicaraguans is to attain multipartisan unity to establish a new government in Nicaragua capable of definitively solving the problems of war and poverty, and of guaranteeing democracy and national reconciliation.

2. We completely support Dr Virgilio Godoy as PLI national president, and approve his nomination as UNO's vice presidential candidate. We approve the nomination of Mrs Violeta Barrios de Chamorro as the UNO presidential candidate.

3. Our party fully approves the appointment of Dr Guillermo Selva Arguello as the Supreme Electoral Council magistrate representing UNO.

4. We strongly condemn the dirty campaign unleashed against our party leader by the FSLN [Sandinist National Liberation Front] and its henchmen, other people alien to the party, and seven PLI members who have helped in this maneuver.

5. Effective today, the party suspends for 1 year the following people: Joaquin Mejia Mejia, Juan Manuel Gutierrez Gutierrez, Salvador Gaitan Fonseca, Antonio Gomez Sobalbarro, Bayardo Guzman Martinez, and Ulises Somarriba Jarquin. This is because of their active participation in the aforementioned campaign, and because they have promoted division in the party, and committed the party's interest and prestige.

6. The PLI separates from their posts in the party because of serious offenses—as established in Article 87, sub-paragraphs D and H—the following people: Joaquin Mejia Mejia, Juan Manuel Gutierrez Gutierrez, Salvador Gaitan Fonseca, Marcelino Lacayo Cisnero, Salvador Gaitan Fonseca, and Antonio Gomez Sobalbarro.

7. The party warns the people penalized by this resolution that they must immediately cease their participation in the incidents that resulted in the aforementioned sanction. The aforementioned people are warned that if they are again involved in such activity, they will be automatically and definitively expelled from the party without [3 second break in reception] or make any further statements.

## Brooklyn Rivera Ineligible for Elective Position

*PA2809184589 Managua Domestic Service in Spanish 1740 GMT 28 Sep 89*

[Report by Giksa Torres]

[Text] Indian counterrevolutionary leader Brooklyn Rivera returned to the country this morning. In view of his return, Hazel Lau, member of the Atlantic Coast's Autonomy Commission, has said that the law does not allow Rivera to establish a political party in the Atlantic Coast area because the law states that there can be no regional parties but only national parties. Also, a political party must have more than 800 regional leaders [directivos] throughout the country.

She added that Brooklyn Rivera must set foot on land and convince himself that he has no right to participate in the February elections, because Article 21 of the Atlantic Coast Autonomy Statute specifies that candidates for Atlantic Coast autonomous councils must have resided for at least 1 year in the area where they are nominated.

### PPSC Leaves UNO, Joins Social Christians

*PA2909021689 Hamburg DPA in Spanish 2446 GMT 28 Sep 89*

[Text] Managua, 28 Sep (DPA)—The Social Christian People's Party [PPSC] today announced its withdrawal from the National Opposition Union [UNO] after PPSC president Mauricio Diaz Davila reported that liberal conservative sectors had left the party out of some decisions. [sentence as received]

Only three PPSC representatives were included on the list of candidates that UNO will present to the Supreme Electoral Council on 29 September, when the deadline for registering names of candidates for the February elections ends.

Diaz said the PPSC will join the Social Christian Party [PSC], headed by Erick Ramirez Benavente, also a presidential candidate.

Diaz said: "We support Ramirez' candidacy. We will align with PSC."

Ramirez welcomed the PPSC and immediately announced that commissions of the two parties would start working to present their lists of candidates on 29 September.

UNO, which is now left with 11 legal and 2 illegal parties, is dominated by liberal and conservative groups. There are also two newly formed Christian Democratic parties and two leftist organizations.

The PPSC separated from PSC in 1975 to be organized as an avant garde party because of the group's "stagnation," as it was reported at the time. Diaz was one of the dissident leaders at the time, along with Luis Humberto Guzman and Cesar Delgadillo Machado.

The PPSC won six National Assembly benches in the 1984 elections. Diaz has said that, according to surveys, his party stands a better chance at the February 1990 elections than other UNO member parties.

According to an agreement that some UNO parties made with the National Assembly, the formation of new alliances and the participation in the elections of deputies out of the alliance are permitted. This supposedly would benefit both the PPSC and PSC.

### Assembly Approves Amendments to Media Law

*PA2809222689 Panama City ACAN in Spanish 2152 GMT 26 Sep 89*

[Text] Managua, 26 Sep (ACAN-EFE)—Today, the Nicaraguan Assembly approved the amendments to the media law sent by President Daniel Ortega to comply with the agreements signed with the opposition on 4 August during the national dialogue.

The Nicaraguan president had agreed, among other things, to amend the media law passed in April, so as to give more guarantees to the opposition during the electoral process that will end on 25 February 1990.

With the amendments to the media law, the Supreme Electoral Council (CSE), in charge of directing the electoral process, assumes the duty of applying the legislation during the electoral process, but only in matters under its jurisdiction.

In accordance with the approved amendments, the parties can freely engage in propaganda activities; can publish books, magazines, leaflets, and posters; and can freely use the press, radio, and television during the electoral stage.

The CSE will issue an "electoral ethics" guide to regulate the behavior of the party leaders during the electoral process.

Violations of the law will now be dealt with by the CSE instead of by the Media Directorate or the Interior Ministry.

The amendments, however, do not affect the powers bestowed on the Interior Ministry regarding the authorization and registration of the media and the duties and functions established in the media law.

According to Article No 23 of this law, the Media Directorate can order and coordinate national radio networks and authorize the presentation of movies or any other type of film.

The reforms also empower the CSE to create a directorate to implement and ensure the fulfillment of this law and its regulations. To accomplish this, the CSE has already appointed a consultative council to oversee the realization of the law.

During the dialogue that spawned the reforms that were approved today, Ortega also promised to release prisoners who are ill or are over 50 years of age, and to suspend the drafting of youths into compulsory military service between September 1989 and February 1990.

## Panama

### General Noriega Decorates Solis Palma

*PA2809193689 Panama City Domestic Service in Spanish 1852 GMT 28 Sep 89*

[Speech by General Manuel Antonio Noriega, commander of the Panama Defense Forces (FDP), at an FDP ceremony to honor Former Minister in Charge of the Presidency Solis Palma, in the Yellow Room of the Presidential Palace in Panama City—live]

[Text] Your Excellency the Panamanian Provisional President, Your Excellencies the Supreme Court of Justice magistrates, state ministers, Mr Vice President, fellow Panama Defense Forces [FDP] General Staff members, gentlemen, Mrs Thelma de Solis, Mr President Manuel Solis Palma. [title as heard]

The FDP General Staff has commissioned me to express the feelings that the bestowing of this decoration inspires in us. This decoration is bestowed upon you because of all the deeds you have accomplished since 1940, when you first participated in politics.

You came into politics as an idealist, a man of great vision. You struggled for the things all Panamanians have admired as children and as students—the idea of defending the homeland; the idea of proven dignity; the idea of speaking and struggling for the ideals for which we were educated. That is what you are, Mr President Solis Palma, you are the man the FDP honors today. The FDP is proud to have found you. You are a teacher and a partner who was able to understand the members of the FDP and to interpret and adopt their principles as your own. This homage is the least we could do for you. This is the least we could have recorded in history. We want history to have our testimony, that we worked alongside a brave, noble, cautious man. Above all, we worked with a Panamanian.

I am pleased to be the voice that bestows this decoration upon you. You have all the attributes that current students should have so that they become great patriots of the year 2000. Thank you very much. [applause]

### Defense Forces Pay Tribute

*PA2809234789*

[Editorial Report] Panama City Domestic Service in Spanish at 1838 GMT on 28 September begins live coverage of a ceremony being held by the Panama Defense Forces, FDP, in the Yellow Room of the Presidential Palace to bestow the Military Order of the pre-Columbian Harpy Eagle on Manuel Solis Palma, who served as minister in charge of the Panamanian Presidency until the present regime came to power on 1 September.

Dignitaries in attendance mentioned by the announcer include Francisco Rodriguez, provisional president of the Republic; Carlos Ozores, provisional vice president; General Manuel Antonio Noriega, commander in chief of the FDP; Juan Bosco Bernal, minister of education; Olmedo Miranda, minister of government and justice; Yolanda Pulice de Rodriguez, president of the Electoral Tribunal; Doris Vargas de Rosas, governor of Panama Province; Elmo Martinez Blanco, minister of commerce and industries; Hidalgo Fung, minister of public works; and Abdiel Julio, deputy comptroller general.

General Noriega makes a 4-minute speech, praising Solis Palma as "a teacher and a partner who was able to understand the members of the FDP, and to interpret and adopt their principles as your own."

Solis Palma then speaks, thanking the FDP commander and the new president for their work in defense of the Panamanian fatherland. Solis says that by receiving this military order he has a greater commitment to the fatherland, the FDP, and the government institutions that have maintained the dignity of the Republic. He then urges all citizens, his personal friends, and those who still have an ounce of dignity "to continue fighting and see the Republic as something permanent that cannot be betrayed."

Provisional President Rodriguez makes a toast to the health of Solis and his wife and family. He notes that Solis received this order because of "his high moral and patriotic standing." He adds that Solis' greatest achievement is to have led the fatherland, proudly and honestly, at very difficult times.

The ceremony ends and all personalities who are present at the event begin greeting Solis Palma personally.

### FDP, Government Hold 'Coordination' Meeting

*PA2809160889 Panama City Televisora Nacional in Spanish 2300 GMT 27 Sep 89*

[Text] Within the framework of the new dynamics to assist the executive branch so that the mechanisms of the new republic will function, a working meeting was held this afternoon between government organizations and the Panama Defense Forces [FDP] in the Battle of Ayacucho Hall of the CEREMI [Military Recreation Center].

The true concept of a state of war—more so than a state of emergency—due to the U.S. economic and military aggression against the country, compels the government to maintain a dynamic policy without being subjected to the administrative and bureaucratic schemes of normal times.

Currently, the Presidency of the Republic requires the assistance and active support of all levels of the Panamanian state, without being subjected to the stereotypes that prevailed prior to the big crisis caused by two consecutive U.S. Administrations, in complicity with some Panamanian politicians and unpatriotic individuals.

Presiding over this meeting of consultation, evaluation, coordination, and recommendation to the executive branch were FDP Commander in Chief General Majnuel Antonio Noriega, who gave the orientation, and Democratic Revolutionary Party President Carlos Duque Jaen.

### Observers Weigh Effect of Economic Sanctions

*PA2809205189 Panama City ACAN in Spanish 1332 GMT 27 Sep 89*

[By Andreu Claret]

[Text] Panama City, 27 Sep (ACAN-EFE)—According to several sectors of the country, the U.S. economic sanctions against Panama have failed to achieve their purpose of smothering the regime and provoking General Manuel Antonio Noriega's fall, and have instead caused serious damage to the country.

The commercial attache of a European country, which has increased trade with Panama during the past year

despite the political crisis and diplomatic isolation of the regime, told ACAN-EFE that "the Americans do not understand that the Panamanian economy cannot be fenced in."

The analysts agree that Panama has "two economies." A domestic economy of little importance, which is going through a serious crisis, and an international economy—much more important to the regime and those close to it—which has fared much better under the impact of the sanctions.

According to a report this week by the Panamanian Chamber of Commerce, Industries, and Agriculture, the Colon Free Zone—the second largest in the world after Hong Kong—will achieve a historically record return this year, while half of the local businesses and retail stores register a loss.

Fred Denton, the president of the American Chamber of Commerce in Panama, recently said that "the sanctions have damaged American businessmen more than they have damaged Noriega."

Denton added that, for an economy that in 1987 was 84 percent dependent on U.S. investments, the regime has not crumbled as was expected.

Many observers describe as a "miracle" the government's economic survival after the sanctions adopted by U.S. President Ronald Reagan in March of 1988, later kept in place by George Bush with the intention of destabilizing Noriega, the Panamanian "strongman" Washington links to drug trafficking.

The "miracle" refers above all to government employees receiving their salaries every 2 weeks (around $30 million) despite the measures taken by the United States with the likely intention of turning them against the regime.

Washington blocked Panamanian funds deposited in the United States (around $100 million), banned American businesses that operate in Panama from paying taxes, and decided not to make the annual payments of $70 million from the canal and about $60 million from the transisthmian oil pipeline to Panama.

Panamanian Provisional President Francisco Rodriguez said that "the funds being withheld, an illegal action by the United States, amount to almost $400 million," and that "the losses caused by the economic aggression were estimated at $2.5 billion at the beginning of the year."

Since that time, everyone has been wondering how the Panamanian Government functions. People usually attribute the "miracle" to funds from obscure sources or to "help" from Asian countries like Taiwan or South Korea—with which Noriega maintains excellent relations—or even from Libyan leader Mu'ammar al-Qadhdhafi.

However, according to sources at another embassy, "the reason is less farfetched." They believe that in addition to fiscal revenue—which has decreased by 50 percent—the money to pay the government employees payroll comes from drastic cutbacks in government expenses.

The government has stopped paying interest and service charges on the foreign debt, as well as other commitments acquired before the beginning of the crisis, and invests only in what is strictly necessary, channeling funds from state enterprises to pay the government payroll.

According to this thesis, which is shared by several embassies from the EC, the government has been able to reduce its expenses by more than $1.5 billion annually, which will help it to meet its immediate needs, at least in the short time that it seems this tug-of-war with the United States will last.

Concerning other income, other sources emphasized that the state continues to get "more than $250 million" from Colon Free Zone transactions and about $70 million from the flagging of ships, an activity in which Panama is about to replace Liberia as first in the world, with more than 12,400 ships flagged.

A U.S. diplomat said this week that "of the 20-percent drop in the GNP in 1988, only 6 to 7 percent has been caused by the sanctions."

The U.S. diplomat seemed to admit that the restrictions have not caused noticeable damage to the regime by announcing that Washington will give priority, in the future, to a "new policy of sanctions designed to affect the people close to Noriega."

With this purpose in mind, the United States has added more names to the "blacklist" of Panamamians close to the regime or who do business with Cuba, so as to ban American businesses from doing business with them.

A banker who asked to remain anonymous said that "if I were on the list, I would simply name a front man for my business," referring to a common practice in the "trading paradise" that is Panama, one of the countries in the world where it is fast and easy to form a corporation under the name of a "front."

The same banker noted the social deterioration of the country—evident in services, sanitation, and infrastructures—but said that nevertheless few of his colleagues are thinking of leaving the international financial center; instead they are looking for ways to adapt to the circumstances.

Returning to the two economies theory, the banker said that in 1986 only 10 percent of the accounts in Panama's 130 banks belonged to "Panamanians." The rest, amounting to $40 billion, were international deposits.

Another banker explained that the banks simply opened accounts in the nearby Caribbean islands, so "the accounts have left, but not the clients, who continue to operate" from Panama.

That is why, despite the initial impression, the reduction of the deposits to $12 billion has not been catastrophic for the survival of the international finance center, and few banks have had to leave the country.

## Argentina

### Cavallo on Meetings With Bush, UK's Major

*PY2809151689 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1332 GMT 28 Sep 89*

[Text] Buenos Aires, 28 Sep (NA)—Argentine Foreign Minister Domingo Cavallo stated this morning that after the meeting he held behind closed doors yesterday in New York with his British counterpart, John Major, he has the impression that the British people "are interested in quick results" in the negotiations to reestablish diplomatic relations.

Cavallo also said that President George Bush's remarks after the meeting with Argentine President Carlos Menem at the White House, "show that the United States wants a sustained improvement of relations of mutual trust between the two nations."

In remarks made in New York to Radio Mitre, Cavallo stated that "we both hope that the personal relationship established yesterday will be useful" for the future relations of Argentina and Great Britain.

"We talked about the climate in each country for these negotiations. Despite the fact that newspapers refer to the deliberate pace at which the British want to negotiate on this matter, my impression from the conversation is that they are also interested in quick results that will lead to the normalization of relations," Cavallo stated.

He added that the agenda established during the talks in New York last month between Ambassadors Lucio Garcia del Solar and Crispin Tickell has been confirmed and that relations between Latin America and the EEC have been analyzed.

When asked whether the first subject of the negotiations scheduled for 17 and 18 October in Madrid will be the theory of establishing a NATO base on the Malvinas Islands, he answered: "No. The first subject of the agenda is to create mechanisms to generate confidence and prevent incidents."

"At that meeting we will propose lifting the military exclusion zone. We hope to discuss the use of military installations on the islands at a later date, because it is not appropriate to discuss all matters simultaneously," he added.

[Passage indistinct] of communications between the islands and the continent that existed before the 1982 war.

Answering another question, he said that "we agreed with Major to maintain contact, but not a new personal meeting. That will depend on the development of the negotiations. For the time being we have agreed on the meeting in Madrid."

Regarding the meeting between Presidents Bush and Menem, he said: "It was excellent because Bush received Menem with signs of affection and interest."

He added: "President Menem had much time to justify his economic and national unity policies."

He said that the answers given by Bush "show that the United States wants to initiate a sustained improvement of relations of mutual trust between the two countries."

President Bush "promised his support on economic questions and on other matters related to foreign relations," Cavallo stated.

### President Menem Announces IDB Loan for Dam

*PY2809185289 Buenos Aires Domestic Service in Spanish 1600 GMT 28 Sep 89*

[Excerpt] President Carlos Saul Menem announced this morning in Washington that the Inter-American Development Bank [IDB] has granted a $250-million loan to Argentina to continue the Yacyreta Dam project. Yesterday, Menem announced a $1.4 billion standby agreement with the IMF, an operation that will pave the way for our country to qualify for the Brady plan.

Economy Minister Nestor Rapanelli said in Washington that later today he will give details of the standby agreement reached with the IMF. [passage omitted]

### Joint Nuclear Project With Turkey Discussed

*PY2809183889 Buenos Aires Domestic Service in Spanish 1600 GMT 28 Sep 89*

[Text] Argentine and Turkish officials are holding talks to undertake the joint production of small nuclear reactors for power plants that will be built in Turkey.

## Bolivia

### President Paz Stresses Need for Antidrug Aid

*PY2809153089 La Paz La Red Panamericana in Spanish 1130 GMT 28 Sep 89*

[Text] Bolivian President Jaime Paz Zamora has stated that Bolivia needs adequate assistance to solve its problems. He added that Bolivia needs a leader like Noriega to attract international attention.

In a news conference with U.S. reporters, President Paz yesterday answered several questions about the struggle against drug trafficking and the eradication of coca crops. The Bolivian president stressed the efforts made by the Bolivian people to overcome hyperinflation of more than 27,000 percent. He said that inflation is predicted to reach 12 percent during his administration.

Paz Zamora stated that the highly industrialized countries must pay attention to nations such as Bolivia that face difficult economic situations and at the same time struggle against drug trafficking. He criticized the behavior of world powers, and he said that such behavior must be changed.

[Begin Paz Zamora recording] We are sick and tired of the way industrialized countries and their people are behaving, maintaining certain sadomasochistic relations with the underdeveloped nations. [end recording]

The Bolivian president tried to make the U.S. press understand the indifference that certain countries, namely the economic powers, show toward Bolivia.

To explain his remarks, he said that perhaps a general should assume power, and military forces should besiege the U.S. Embassy, and a few hundred people should be murdered to get the attention of the world.

Paz Zamora demanded greater understanding from the international organizations that impose extremely difficult conditions for achieving economic stability. Does a war kill more people than an economic adjustment program? the Bolivian president asked. He invited the U.S. reporters to review the statistics on the number of people killed in the Salvadoran war and the number of people who died in Bolivia because of the economic-financial adjustments.

President Paz has stated that the fact that Bolivia is a coca-producing country is directly related to the U.S. treatment of the matter. He said that the struggle against drug trafficking demands action to control consumption. He added that Bolivia is not receiving the necessary resources to deal with the social problems resulting from the reduction of coca production.

[Begin Paz recording] An antinarcotics program for Bolivia similar to that implemented in Colombia would be a great mistake. [end recording]

He demanded real alternatives for work and production for Bolivian peasants. He said that until this is achieved, the mistakes of the past will be repeated.

### Senate Requests Return of U.S. Contingent

*PY2809173089 Madrid EFE in Spanish 0517 GMT 28 Sep 89*

[Text] La Paz, 27 Sep (EFE)—The Bolivian Senate today asked for the ruturn to Bolivia of the U.S. military contingent that until 15 days ago was helping to expand the airport of Potosi, 574 km south of La Paz.

The senate resolution proposes that the Bolivian Foreign and Aeronautics Ministries negotiate the return of the U.S. contingent so that the "Captain Rojas" airport can be expanded to allow larger planes to land.

Some 300 men from the U.S. Army Southern Command, headquartered on the banks of the Panama Canal, arrived in Potosi in April 1989 and worked, with their own machinery, to level Pati Pati Hill, which prevented access to that city by air.

The arrival of that contingent complied with the U.S. Army "Civic Action" program, and the Bolivian Army has stressed the importance of the support received in removing the earth which, according to official sources, has represented a savings of $5 million.

### Daily Questions Presence of Foreign Advisors

*PY2809164489 La Paz PRESENCIA in Spanish 25 Sep 89 p 3*

[Editorial: "The High Cost of Foreign Advisors"]

[Text] President Paz Zamora hit the nail on the head when he referred to one of the most critical problems of external cooperation. This issue has not often been treated with the necessary frankness because of the fear of hurting feelings. The presence of all kinds of advisors represents a high cost to the country, because their high salaries are generally paid as nonreimbursable cooperation.

Most of the experts are sent by international organizations or governments to support plans that are imposed on us from abroad. The incredible thing is that their costs are kept confidential, because if they were revealed, they would seem inconsistent with the austerity needed in public expenditures.

Some people say that if it is nonreimbursable cooperation, we should not worry about it. Those amounts, however, are listed in the totals assigned to our country for special work and are included in the overall aid programs we apparently receive.

This view is an outgrowth of the president's remarks during a news conference with foreign reporters in which he expressed his discontent over the way the foreign cooperation to fight drug trafficking is being handled. Paz Zamora not only confirmed matters in doubt about the efficiency of these mechanisms, but also revealed that a large percentage of the money Bolivia receives for that purpose is spent on salaries to advisers.

Everything seems to be the result of the way the situation is being handled. That needs to be corrected. The misconception derives from the false perception that the country should welcome any assistance that the treasury does not directly pay for. That is no doubt a mistake that must be corrected.

It is gratifying to know that the government intends to review all cooperation agreements to find out where the money that we supposedly spent for those programs in the last few years has really gone. The government will also try to be more careful in handling those delicate issues.

Similar cases are abundant. We have at our newspaper, for instance, a list of Central Bank advisers who are on the Central Bank payroll and who are supposedly paid by the World Bank through the account of an AIF [International Development Association] "loan." The salaries of those advisers range from $9,000 to $12,500 a month.

No one denies the need for the cooperation of those highly specialized technicians in specific projects, but a measure of prudence must be observed. International cooperation is one of the characteristics of our times.

and in some cases, is part of the transfer of technology in an increasingly interdependent world. We do not mean to condemn it outright, but we think it should not be seen as an unlimited gold mine by some special interests.

It is therefore commendable that the government plans to administer our international cooperation more carefully and to check the excesses from both ends—that is, the excessive cost of such cooperation in relation to its benefits, and the free hand it allows others in imposing on our internal affairs.

### Paz Zamora Praises Banzer's Patriotism

*PY2809222689 Madrid EFE in Spanish*
*1459 GMT 28 Sep 89*

[Text] Madrid, 28 Sep (EFE)—In an interview published in the newspaper EL PAIS today, Bolivian President Jaime Paz Zamora said that General Hugo Banzer "has helped strengthen Bolivian democracy."

Paz Zamora said: "Gen Banzer chose a dignified path and gave up fighting for his election for the presidency once he realized that his chances were slim. Instead of continuing to dispute the position and thus create more confusion, he helped to find a solution to the problem."

"Having chosen to adopt this stance," Zamora added, "Gen Banzer will no longer be remembered as a former dictator by the Bolivians. He is now the man who helped to make democracy a reality in Bolivia."

Paz Zamora, who founded the Revolutionary Left Movement—MIR—came in third as far as the number of votes is concerned and only became president of the Republic thanks to Banzer's support. Banzer, who came in second in the elections, gave up his chance in favor of Paz Zamora.

In the interview, Paz Zamora explained that this solution "would not have been possible 10 years ago. It was now possible only because Banzer's party—the Nationalist Democratic Action [ADN]—supported the MIR."

This solution would have been impossible if the situation were different, because "it would have been impossible for Jaime Paz to support Banzer."

He added that Gen Banzer's solution was positive only because "the ADN supported the MIR. Had the ADN supported Paz Estenssoro's MNR [Revolutionary Nationalist Movement], the solution would have meant a backward step for Banzer. His support of the MIR, however, gives Banzer a new historical magnitude."

On the subject of drug trafficking Bolivia "has not defined a really national policy." To us "the objectives are not clear and we still do not know how we will face the challenge. This is our main problem and the national unity government will try to solve it," he said.

Thirty days after being installed in August, Paz Zamora reached an agreement with Argentina for the mutual cancellation of the bilateral debt.

"Thanks to this agreement with Argentina," Paz Zamora said, "we reduced our foreign debt by 30 percent in the first 25 days of our administration. This was fortunate because the Bolivian foreign debt equaled, or maybe surpassed, the Bolivia GDP."

In Paz Zamora's opinion, this agreement "was the agreement of the century for Bolivia." He asserted: "The commercial portions of our overall reciprocal debts were of comparable volumes, and so those portions were mutually canceled."

Paz wrote his party's anthem in the dungeons of the Bolivian Interior Ministry, where he was confined.

Remembering those days, Paz Zamora said: "I probably wrote the anthem then to confirm my faith in a cause which I considered fair, and also as a solace for being held in that prison."

### Official Says World Bank To Donate $10 Million

*PY2809172289 La Paz PRESENCIA in Spanish*
*24 Sep 89 p 4*

[Summary] Economic Policy Secretary Jaime Delgadillo has said that Bolivia heads the list of developing countries that will receive a donation from the World Bank to repurchase its foreign debt. He made this statement before leaving for Washington to join the Bolivian delegation that will attend the meeting of the World Bank and the IMF governors.

Delgadillo said that the World Bank will disburse $10 million to Bolivia for the repurchase of the Bolivian foreign debt.

## Chile

### Radical Democrats Express Support for Buchi

*PY2809010489 Santiago LA SEGUNDA in Spanish*
*15 Sep 89 p 11*

[Excerpt] The Radical Democratic Party will support presidential candidate Hernan Buchi. This decision was made yesterday by the central directorate of this political party after hearing the topics of the talks recently held between Hernan Buchi and [Radical Democratic Party leaders] Jaime Tormo and Julio Duran. This was reported personally to LA SEGUNDA today by Radical Democratic Party President Jaime Tormo.

According to Tormo "this decision was made by a vast majority. It means that our congressional candidates and all our militants will work for Buchi's candidacy. This decision does not affect our congressional agreement with the National Vanguard [AN] Party." Tormo explained that this agreement remains in force and that

the AN is free to support the presidential candidate of its choice." [no opening quotation marks as published]

Tormo said: "After listening to Buchi's proposals during that meeting, we found so many points where our principles coincide that we ended up by asking him to sign the Radical Democratic party registry because his ideas of tolerance, anti-dogmatism, and pragmatism are so similar to our own." [passage omitted]

### Merino Willing To Talk With Politicians

*PY2809162689 Santiago Domestic Service in Spanish 1030 GMT 28 Sep 89*

[Excerpt] [Passage omitted] During a 20-minute television panel, Navy Commander in Chief Admiral Jose Toribio Merino talked about issues such as the Tuesdays of the Admiral [not further identified], the government change in 1973, and the possibility of holding dialogue with leaders to smooth the administrative transition to the new government. He said that he was willing to hold conversations but that he did not have anything to discuss.

[Begin recording] [Merino] If they want to talk to me, I am willing to talk with them, but before 14 December, not after.

[Raquel Correa] That is exactly what I want to remind you. Not long ago you said that there will be enough time to hold conversations as soon as the presidential candidates register. The elections will be held in less than 2 months. I want to know if you are ready, if you are waiting for an invitation, if you are going to take the initiative, or if you are going to reach an agreement with the other commanders.

[Merino] I do not ask for anything. I will not take any initiative. They should come if they want to talk.

[Raquel Correa] Just with you? Not with the other commanders?

[Merino] If somebody wants to come [word indistinct] they can meet with the four us since we share the same view. There is no difference. They can talk with each of us. [end recording]

Merino also said that the Cochayuyo Plan was implemented on 11 September 1973 so that the Armed Forces could take power. Asked about his future in the upcoming government, Merino confirmed that he will retire from the Armed Forces and from the public life.

### Appointment of Navy Commanders Confirmed

*PY2909002889 Santiago EL MERCURIO in Spanish 16 Sep 89 pp C-1, 8*

[Text] The Navy Public Relations Department has officially reported that Vice Admiral Rolando Vergara Gonzalez will be installed as the new chief of the Navy General Staff in 1990, thus confirming an exclusive report published in EL MERCURIO last week. Vergara was the Navy Services director general.

The communique is signed by ship-of-the-line Captain Gustavo Marin Watkins. It states that the new chief of the Navy Infantry Corps and the director of the Navy Supply and Accounting Department will soon be named.

The communique, which was released on 15 September, states that in 1990 the Navy command will comprise the following senior Navy officers:

— Vice Adm Rolando Vergara Gonzalez as chief of the Navy General Staff.
— Vice Adm Jorge Martinez Busch as 1st Naval Zone commander.
— Rear Admiral Alfredo Gallegos Villalobos as director general of Navy Personnel.
— Rear Adm Claudio Aguayo Herrera as Navy Services director general.
— Rear Adm Pedro Anguita Izquierdo as Squadron commander in chief.
— Rear Adm Juan Mackay Barriga as 2nd Naval Zone commander.
— Rear Adm Juan Carlos Toledo de la Maza as merchant Marine and Maritime Territories director.
— Rear Adm Juan Anderson Diaz as War Materiel director.
— Rear Adm Carlos Perey Opazo as 4th Naval Zone commander.
— Rear Adm Jorge Llorente Dominguez as Submarine Force commander.
— Rear Adm Jorge Arancibia Reyes as deputy chief of the Navy General Staff.
— Rear Adm Horacio Groetaers Tosso as Navy comptroller.
— Rear Adm Eduardo Oelckers Sepulveda as 3d Naval Zone commander.
Rear Adm Oscar Vidal Walton as Navy Training director.
— Rear Adm Sergio Jarpa Gerhard as Navy secretary general.
— Rear Adm (AB) [expansion unknown] German Toledo Lazcano as economic adviser to the Navy commander in chief in the government junta.
— Rear Adm (SN) [expansion unknown] Herbert Wilhelm Perelman as Navy Medical Service Director.
— Rear Adm (JT) [expansion unknown] Mario Duvauchelle Rodriguez as Navy auditor general.
— Ship-of-the-line Captain Sergio Garcia Greene as director of navy Shipyards and Arsenals.
— Ship-of-the-line Captain Hector Linderman Garcia as navy Engineering director.
— Ship-of-the-line Captain Lionel Doren Swet as Navy Investigation and Development director.
— Ship-of-the-line Captain Carlos Schnaidt Parker as head of the Chilean mission in Washington.
— Ship-of-the-line Captain Octavio Bolelli Luna as head of the Chilean mission in London.
— Ship-of-the-line Captain German Goddard Dufeu as deputy chief of National Defense.
— Ship-of-the-line Captain Ariel Rosas Mascaro as commander of Naval Aviation.

— Ship-of-the-line Captain Pedro Arrieta Gurruchaga as Navy Welfare Department director.

### Loan Agreement Signed With World Bank

*PY2909012789 Santiago Domestic Service in Spanish 2300 GMT 28 Sep 89*

[Text] This afternoon during his visit to the United States, Finance Minister Enrique Seguel signed an agreement for a $224-million World Bank loan to our country.

Here is journalist Fernando Yanez with more information on the finance minister's activities.

[Begin recording] The agreement was signed today at 1500 in Washington. The loan is designed to partially finance the Public Works Ministry maintenance program for secondary roads and two-lane highways during the 1990-93 period. The estimated total cost of the project is $907 million, of which the Chilean Government will contribute $445 million. The remainder will be suplied by the export-import bank of Japan, with $150 million, and by the Inter-American Development Bank, with $85 million.

The World Bank loan to Chile establishes a 17-year repayment period, including a 5-year grace period, and a fluctuating interest rate, which currently totals 7.74 percent.

In addition, Minister Seguel, along with the finance ministers who represent the 152 IMF member countries, today concluded their second annual meeting with an optimistic view of the international economy. Nevertheless, they expressed their concern regarding the persistent inflationary pressure in some countries, the slow growth in debtor nations with medium export revenues, and the continual imbalances in the current accounts of the leading industrialized nations. [end recording]

## Colombia

### Coverage of Barco's Visit, Talks With Bush

#### Meets President, Speaks to Press

*PA2909022289 Bogota Inravision Television Cadena 2 in Spanish 0005 GMT 29 Sep 89*

[Text] President Barco addressed the U.S. Congress after meeting with the State Department's DEA [as heard] officials. Barco categorically said that under the current circumstances it is not possible to hold talks with the drug traffickers.

Barco met with U.S. President Bush late in the afternoon. Here is a report by Jairo Alberto Marin:

[Begin recording] President Virgilio Barco said at the White House that he did not come here to request more economic and military aid, but to thank the United States for the aid it has already given Colombia.

U.S. President George Bush received Barco after he completed his activities for the day, in what has been viewed as a courtesy visit and not an official mission.

Barco replied in English to the U.S. press. He clarified that Colombia does not expect more economic aid, helicopters, or weapons, and instead wants to export its products.

President Bush simply greeted the members of the press that gathered at the Rose Garden in the White House, where he normally receives courtesy visits. [end recording]

#### Visit, Meetings Reported

*PA2909021389 Bogota Inravision Television Cadena 2 in Spanish 0003 GMT 29 Sep 89*

[Text] William Bennett, director of the Office of National Drug Control Policy, has described Colombian President Virgilio Barco Vargas as a drug hero.

President Barco is still meeting with U.S. President George Bush at this time. His visit began last night amid impressive security measures. Jairo Alberto Marin, our special reporter in Washington, has the details:

[Begin recording] [Marin] President Barco's strategy surprised the U.S. public. When everyone expected him to talk about drugs and violence, he spoke about economy and exports. Barco's visit has not gone unnoticed. There is great interest in it because Colombia has been on the frontpage in the news during the past few weeks. Also, tight security measures have been adopted to protect Barco's life. People in downtown Washington wondered what was going on when they noticed the large number of secret agents, severe inspection procedures, and traffic restrictions. Even a Vietnam War veteran waited for something to happen.

This morning Barco met with William Bennett, director of the Office of National Drug Control Policy. Following that meeting, Bennett said that they did not discuss any additional economic or military aid for Colombia, and instead they talked about coffee and flowers.

Those were also the subjects that Barco discussed at meetings with Democrat and Republican Congressmen at the Capitol. Barco stressed that part of the struggle against drug trafficking will have to be waged in the economic field. In fact, the U.S. Congress must approve coffee agreements between producers and consumers which set the price limits for the product. In addition, the U.S. Congress must also approve taxes on flowers, textiles, and other Colombian exports.

Barco's message has been to ask U.S. citizens to consume more coffee and not cocaine. He is trying to obtain better treatment for Colombian products in international markets.

The subject of extradition has been avoided amid the complex economic topics. U.S. Government spokesman Donald Hamilton played down the matter, saying that

the U.S. strategy against drugs goes beyond the simple detention and extradition of drug traffickers.

[Hamilton, in Spanish] There have been a number of meetings, and obviously the possibilities for assistance or aid have been discussed. However, we prefer not to give the details at this time.

[Marin] With or without extradition, Barco has insisted that the two countries are committed to fighting drugs. [end recording]

### Columnist Defends Arriving U.S. Advisers

*PA2809165489 Bogota EL SIGLO in Spanish 25 Sep 89 p 4-A*

["The Strip" column by German Isaza Robledo: "Sovereignty?"]

[Text] The self-determination of peoples means nations have the ability to settle their domestic problems by themselves. Based on this view, several of the country's most outstanding Democrats and dupes denounced foreign military aid to fight drug trafficking, a scourge that became an international problem a long time ago and is weakening Colombian sovereignty.

I have no doubt that those who are now most opposed to the presence of U.S. military advisers and experts are those who regard this presence as a serious obstacle to the armed organizations they promote and that are trained by Libyan, British, Cuban, and Israeli experts.

It is obvious that sovereignty is the most important element for the existence of a state. However, we lost our sovereignty long ago, and to regain it we must accept all the aid the honest international community can offer us.

Sovereignty, among other things, means adopting decisions based on the needs or preferences of the nation as a whole. That stopped happening in Colombia when the drug traffickers began to intimidate and destroy the legitimate institutions of the state. How can we talk of sovereignty when we see that our people have fallen prey to terrorism; that they are living and dying enslaved by daily bombings and lies; that they are governing under the pressure of threats; that they have sought refuge in a home imprisoned by fear? It is absurd to talk of a truly sovereign state when it is known that several of the country's top political and business leaders are involved in criminal activities. An act of sovereignty—one in the midst of so much subjugation—would be to strip ourselves of so much vain pride and accept the fact that we are weak and need all the help offered by anyone whose intentions are based on the law. Moreover, it is ironic that several of those who are clamoring for "the defense of sovereignty" are the same ones who are now asking the U.S. Government to explain the cancellation of visas. Is it not a matter of national sovereignty to decide who can and cannot enter that country?

I am reminded of those thousands of cases of food and medicine donated to Colombia following the Armero catastrophe that rotted in the country's customs warehouses. Armero is the burial ground for 30,000 Colombians and a scene of tragedy for thousands more. Despite the regrettable end that this aid met in so many warehouses, nobody opposed international solidarity with that corner of Tolima Department.

The war on drug traffickers could bury us. Let us struggle for sovereingty and accept the advice offered by the United States, or we will end up rotting in a warehouse filled with white powder.

### Judges Announce Cancellation of Strike

*PA2809165989 Paris AFP in Spanish 1606 GMT 28 Sep 89*

[Text] Bogota, 28 Sep (AFP)—Colombian judges, who had threatened to go on strike to demand that the Virgilio Barco Vargas government take greater security measures to protect their lives, have announced the cancellation of their strike.

Antonio Suarez, president of the Judicial Branch National Association (ASONAL), said the judges decided to give the goverment time so it can implement security measures for the judges and repeal disciplinary regulations it had ordered a few weeks ago.

Suarez admitted, following a meeting with Acting Justice Minister Carlos Lemos, that his group had found "clear resolve on the part of the government to find solutions to the problem of lack of security Colombian judges are experiencing."

"For that reason, we suspended the strike," the labor leader stated.

The ASONAL president said also that the judges have not yet received the protective equipment (bullet proof vests) and armored cars the United States had offered to former Justice Minister Monica de Greiff.

"We learned that well-publicized offers from foreign governments, including the United States and the United Kingdom, are mere offers," the ASONAL leader said.

### Ex-Minister De Greiff Explains Resignation

*PA2909040489 Bogota EL TIEMPO in Spanish 24 Sep 89 pp 1, 8-A*

["Exclusive" interview with former Justice Minister Monica de Greiff by unidentified reporter—date and place not given]

[Text] [Reporter] The Colombian people believed you would stay until your term was up. In fact, you and the president were very clear when you traveled to Washington and the press was reporting that you would not return. What happened, and why did you resign?

[De Greiff] On 19 September the president told me he was concerned about me because of security and because I was away from my family. He told me to think about the ambassadorship in Portugal. I analyzed everything and irrevocably resigned because I believed he wanted someone else in the post. I rejected the offer to go to Portugal becuause it was not a matter of changing the post for an ambassadorship.

[Reporter] In what terms did the president ask you to resign?
[De Greiff] The president spoke to me on good terms; he was kind. I am very grateful, because not everyone is appointed as minister or offered an ambassadorship at 32.

[Reporter] What were your reasons for leaving?
[De Greiff] During the last few days the Justice Ministry had a great deal of daily obligations, such as new decrees and things to do with the National Drug Council and with confiscated property.

I presented some drafts that were immediately disliked by the president and by German Montoya. I tried to wipe out the idea that this was the drug trafficking ministry. Drug trafficking is not a problem of the Justice Ministry; it is a government problem. It is not the problem of the justice minister, but of all ministers. My projects committed other ministries, and suddenly this was not the government's idea of how things should work.

It was not a question of ideological or personal confrontations. I was never told that I was not performing.

[Reporter] Your tenure at the ministry was very brief. Do you feel frustrated?
[De Greiff] I do not have any feeling of bitterness. I have been left with the feeling that some very good projects were not carried out. For example, one project had to do with a situation that seems serious to me. There are many people who were working on the confiscated farms and who have no other work options. I had planned to hold meetings during the next few weeks with some of the universities, which were going to study ways to find them jobs.

I feel frustrated at not having been able to do it because I believe it is important for the country.

[Reporter] When you were appointed, the press mentioned a woman who goes shopping, who has lunch 3 days a week at her parent's home....How did your life change afterwards?
[De Greiff] My life changed completely. At first I had very little time left because of the long work hours. I was no longer able to take my little boy to school.

After Senator Galan's murder it became more difficult to go out. People were afraid to see the justice minister. When I entered a store people would leave. They were more afraid than I was.

[Reporter] Do you still believe the post of justice minister carries no risks?

[De Greiff] The country's situation changed. It went from a fragile peace to war. During war all government posts are risky.

In my case, the impression was that I represented the struggle against drug trafficking. This occurred when I went to the United States. However, what I care about is justice. My priority was being able to protect the judges.

[Reporter] If you were offered the post now, would you accept?
[De Greiff] Yes. The only difference is that now I would not have the backing of my family and husband.

[Reporter] Which days were the most stressful during these last few months?
[De Greiff] The day Galan was murdered. I feel, however, that never before had we felt so close together. There was much sadness and worry, but we were together.

[Reporter] What is the truth over the signing of the decrees? Were they signed only after the attack on Luis Carlos Galan?
[De Greiff] The decrees were being studied since noon on the day of his death. It had been a very tough week. The magistrate and the colonel had been murdered; Galan was murdered that evening. There was much discussion over the drafts, but I believe that the attack on Galan hurried things up.

In the case of the extradition decree, we were all aware that it was not a popular measure. Philosophically, most ministers did not like the idea of Colombians being tried abroad. There was much legal discussion, not only to do with this case, but also over the new measures concerning raids, seizures, and arrests.

However, finally there was a great determination to give the country answers.

[Reporter] The country's current problems have much to do with the extradition decree.
[De Greiff] We must not forget that these measures are not against a group of people, but against violence. Extradition has been a very tough measure for everyone. The inconveniences and the legality of this decree, as well as the possible reactions against it, were discussed a great deal. It can be that part of the violence generated has been due to the extradition decree.

[Reporter] Is it possible to begin a dialogue with the drug traffickers as a way of ending the country's violence?
[De Greiff] The government said no to the dialogue, but we must wait and see how events develop. I do not believe that a government's decision can be strict, because situations do change. The president has said that dialogue is impossible. You never know, things may change in the future.

Anyway, in Colombia practically no wars have ended, because in nearly all wars an agreement was reached.

[Reporter] But if Colombia holds a dialogue, the world's doors will probably close on Colombia.

[De Greiff] Look, in the United States I was asked about extradition and I said it was not popular, that it was not going to solve the drug trafficking problem. It is not the government's stance, but if it is decided to hold a dialogue, then this would be a sovereign Colombian decision. Obviously, if the position changes a bad impression will be given.

The government has been very clear that it has not lost its sovereignty.

[Reporter] The international press feels a little disappointed with your resignation. One must not forget that you became a symbol for the foreign journalists when you traveled to Washington.
[De Greiff] I held a news conference on 22 September and I told them that my resignation was not Monica de Greiff's position, but the government's. I told them I was staying in the country, and I explained to them that the ministers here remain at their posts until the president decides otherwise. However, they did not understand why.
[De Greiff] I am going to rest for a few days and then return. I am going to help Ernesto Samper's campaign. I also believe that working for private enterprise will be a good opportunity.

[Reporter] What post has given you the greatest satisfaction?
[De Greiff] When I was at the Ministry of Mines and Energy. It was fascinating. I had two very good bosses: Guillermo Perry and Oscar Mejia. I worked in delightful harmony with a group of good people. I believe that mining and hydrocarbons is the sector that has enjoyed the greatest progress under this government.

[Reporter] What is your final feeling upon leaving the ministry?
[De Greiff] Every cloud has a silver lining. I have been spared from many boring things. I have not had to sign extradition orders or things like that. Without realizing it, I have been spared of tiring things.

## Candidate Interviewed on Country's Situation

*PA2909040889 Bogota EL TIEMPO in Spanish 24 Sep 89 pp 1-A, 6-A*

[Interview with Liberal Party presidential hopeful Alberto Santofimio by EL TIEMPO reporters Dario Restrepo Velez and Maria del Rosario Arrazola, date and place not given]

[Text] [EL TIEMPO] The country's crisis is a fact. Why do you think we ever reached this point?
[Santofimio] Because the governments and the political parties have failed to make a decision to set a clear course and bring about solutions. The government of the past decade has only set emotional goals in the face of drug trafficking. The government reacts to the murder of a justice minister or a general attorney, and then things return to a dead end until the murder of a presidential candidate once again unleashes a reaction by a state that is cornered without goals. The ruling class timidly mumbles imprecise things. Everybody takes positions within a spectrum that ranges from banning to legalizing drugs, from a war to the death to the possibility of a dialogue.

[EL TIEMPO] What is your stand within that spectrum? Legalization, war, dialogue?
[Santofimio] Legalization, total war, or dialogue to find political solutions to the conflict cannot be anyone's personal or unilateral stand, but the product of a large pluralist consensus that will allow us, in an autonomous manner, to tackle our conflicts without contributing to deepening the war.

[EL TIEMPO] However, if the decision were up to you, what would you do?
[Santofimio] I am immediately proposing a national salvation cabinet that, breaking with the system of party rule, will allow a pluralist consensus and make its leadership felt throughout the nation. It would do this by, first of all, reconstructing our lost coexistence, establishing the minimum rules of the game for civilized competition, and quickly promoting, with a set deadline, the definitive process for a cease-fire and the consolidation of peace with all the subsversive sectors.

With this new climate, I would also promote, again with a set deadline and without falling into the verbosity of commissions and working roundtables, as well as based on a total agreement with the diverse trends, a 60-day plan to further constitutional amendments, topics that will be put to a referendum, and the breaking of the traditional economic model that using the capital system of conglomerates is absurdly concentrating the wealth in the hands of a privileged minority.

[EL TIEMPO] However, are you solely referring to peace with the guerrillas? What happens with drug traffickers and paramilitary groups?
[Santofimio] The 60-day emergency plan, complementary to the national reconstruction cabinet, entails a total political resolve that starts with the set and specific deadline for a cease-fire with the entire Simon Bolivar Guerrilla Coordinating Board, which, at the discretion of the new government, may be extended to other disrupting sectors if the goal is a solid and definitive peace.

[EL TIEMPO] In the midst of all the partisan infighting, do you not think a national salvation government is impossible?
[Santofimio] The major change in course, which the Barco administration may yet undertake in its final days, just requires that he renounce the stubborn insistence on a system that has been unable to solve problems and yield good results, and that he make all of the political, economic, and social forces choose between democracy or indifference to war.

[EL TIEMPO] Will those great reforms include establishing extradition?
[Santofimio] I propose to restore the credibility in justice. We must not be resigned to thinking we will never be capable of having an efficient judicial system. It is

unbelievable that justice is used as a weak excuse for extraditing Colombian citizens to be tried in a foreign territory, in a foreign language, under foreign laws, and with terrible limitations regarding the right to be defended, and that these citizens be tried for actions that are not classified as a crime in our country.

Extradition has become a cowardly excuse for letting the grave crisis in justice become more and more painful each day.

[EL TIEMPO] What kind of reforms can be made with so much absenteeism at Congress, and with some members of Congress suspected of being involved in drug trafficking?
[Santofimio] I have proposed that reforms to the Congress, not included in the constitutional reforms, such as reduction in the number of its members and a decision on the bicameral system, also be included in the referendum. At present the two chambers fulfill identical functions. The chambers are elected on the same day by the same citizens and only serve to delay decisions and debates.

The vote of censure, as well as political control, should be imposed to stop the grave imbalance between the state branches. At present, we have an all-powerful executive branch facing a neglected and persecuted judicial branch under vigilance, and a slow and deficient Congress.

The reforms should also include revoking the mandate from members of parliament who do not fulfill their duties, an end to excessive traveling by some of them, and the regulation of the assistance they receive. It should also include the election of governors by means of the people's vote and the reorganization of the departmental assemblies. There are great reforms to carry out, but we must implement them before terrorism and violence engulf the remains of the democracy we have.

[EL TIEMPO] Why do people have the feeling that you get along well with all sectors in the country: the liberals, conservatives, alleged drug traffickers, guerrillas, and legally established left wing?
[Santofimio] Because I have a pacifist attitude and because I believe in the power of ideas rather than the power of weapons. Moreover, Colombians are conscious that if I were heading the government no one would be harassed and the people's rights would be respected. They are aware I have a great desire to attain peace. My compatriots know I speak clearly, taking all risks with courage and determination. Therefore, they have confidence in me, not as an instrument for intensifying the war, but as a leader of peace.

[EL TIEMPO] As the "leader of peace," are you willing to be a mediator with those currently staging violence?
[Santofimio] I will spare no efforts or actions for peace, regardless of the risks and difficulties. I am ready to assist whoever believes I can be useful in a pacifist and reconciliatiory effort.

[EL TIEMPO] Why have you said that your relationship with Pablo Escobar was brief?
[Santofimio] I met Pablo Escobar when he was a senator-elect for the Chamber of Deputies. He had been elected by a group of Galanista dissidents in Antioquia Department, headed by current Senator Jairo Ortega Ramirez during Alfonso Lopez Michelsen's presidential campaign in 1982. That group supported Lopez' candidacy after they rebelled against the discipline of the New Liberalism in Antioquia Department.

On that occasion, Ortega and his movement supported the national movement for a popular choice. In one of the issues of EL TIEMPO from that time, I wrote an article in which I said that there were no pending judicial proceedings either in Colombia or abroad against then-Senator Escobar. I could not be the judge of senators or of other citizens. In that article I said that the moment the government or judicial authorities charged him with any crime, I would ask him to step out of the political movement. And that is how it happened. After learning of my article he decided to withdraw from politics. That is also recorded in the history of those times.

[EL TIEMPO] However, some groups still take your relation with Escobar for a fact...
[Santofimio] The problem is that in addition to the moral terrorism and the perversity with which historic truth is always distorted, those who speak about that subject are people who only know about it through the slanderous accounts of those who have always criticized me without reason.

[EL TIEMPO] You mentioned a "revealing" debate regarding the list of senators, upon which you appear, and the cancellation of your visa to the United States. What were you referring to?
[Santofimio] A debate has an essential, clarifying purpose, because the United States can deny a visa to whomever it wants, but it cannot do it massively or collectively to congressmen, political leaders, or presidential hopefuls without falling into an evident violation of our sovereignty and into a clear interference in an ongoing, autonomous political process.

[EL TIEMPO] The impression one gets from your announcement is that Samson and all his Philistines will die...
[Santofimio] I believe that many truths will surface. I hope that an uninhibited national awareness will result from the debate so that Colombia can establish a definite policy and an institutional response to drugs, instead of desperate emergency policies that are proof of duplicity and inefficiency.

[EL TIEMPO] Why is your name on the list?
[Santofimio] I am asking for a precise, complete explanation, so that in every case the reasons, motives, or proof used in adopting such a decision can be stated: whether it was because of political attitudes, opinions regarding extradition, rejection of the U.S. Government's policy toward the coffee pact or flower exports, or our pointing to the 25 million drug-addicted Americans who constitute the cause of our problems.

However, with or without a visa, I have spoken and will continue speaking my truths regarding Yankee imperialism, even if I must run the risk of suddenly becoming the second candidate murdered by the DEA.

[EL TIEMPO] Are you insinuating that the DEA assassinated Galan?
[Santofimio] For whom else would that assassination be advantageous?

## Peace Adviser Rafael Pardo on M-19 Dialogue

*PA2809042389 Bogota Radio Cadena Nacional in Spanish 1200 GMT 27 Sep 89*

[Telephone interview with Dr Rafael Pardo Rueda, presidential peace and national reconciliation adviser, by a moderator and an unidentified reporter—live]

[Text] [Moderator] Dr Pardo, good morning to you.
[Pardo] Good morning, Juan. How are you?

[Moderator] Very well, Sir. Thank you. Well, can we say for sure that the M-19 [The 19 April Movement] will be demobilized before the end of the year now that the agreement between you, representing the government, and the M-19 has been signed in Santo Domingo, Cauca.
[Pardo] That is what both they and the government want. We have reached an agreement in accordance with instructions given to us by the working committee; that is to say, the Liberal and Social Conservative Parties. These parties stated that they did not object to the topics we were discussing; we were to reach an agreement and submit it to them once we had. We did so. We reached an agreement and now we will submit it to the Liberal and Social Conservative parties.

[Reporter] Dr Pardo, what is the meaning of the word demobilization in political, human, and even military terms?
[Pardo] Demobilization means to stop being organized as a guerrilla force. It means to stop being an armed rebel group. After demobilization, the next step is for the group to get organized as an unarmed political movement as stipulated by the country's laws and its Constitution.

[Reporter] What makes you —or at least the president, as was apparent by his words on 26 September—so optimistic that this agreement will be definite and that it will not have the same frustrating luck the other agreements signed with the M-19 have had?
[Pardo] Well, we have worked out every detail of the agenda we set out to cover. We have not left anything to chance. There are factors that cannot be controlled by government, M-19, or the political parties. However, the elements that are controlled by the working committee members have been taken into account. The will to comply with the agreement is also a key reason for being so optimistic about it. The M-19, the government, and the political parties have expressed their willingness to comply with the agreement and what was discussed at the negotiating table. Each sector has specific commitments and we all want peace.

[Reporter] Dr Pardo, the M-19 has told the media repeatedly that they will not surrender their weapons. What are the terms of the agreements regarding this subject?
[Pardo] What they have stated is that they will not surrender their weapons to the government. We decided that the weapons were to be surrendered to an international commission. This commission will destroy the weapons or do whatever is needed so they are not used in future confrontations. So, the term we agreed upon was giving up weapons. The M-19 is to give up their weapons and give them to an international commission that has yet to be established.

[Reporter] Who would form such a commission? The International Red Cross, perhaps?
[Pardo] No Juan, the commission still has to be defined. We have to consult with several sectors and cannot, at this time, say what organizations will receive the weapons if we have not contacted them.

[Reporter] So, the terms for giving up weapons mean, first, that the weapons will not be used. Is this correct?
[Pardo] That they will lay them down and...

[Reporter, interrupting] but, but not to the government?
[Pardo] To an international organization that will render them useless.

[Reporter] Correct, I understand. Dr Pardo, do you believe a demobilization agreement, similar to the one reached with the M-19, can be attained with other active guerrilla groups in Colombia?
[Pardo] We hope so. The government has a general policy for the armed rebel groups; it is not a specific policy for each group. The policy does not exclude any group or position. Quite the contrary, the national reconciliation policy allows all rebel groups to make use of it. We hope the policy can be used to cover all the rebel groups—making provisions for their specific differences—who are interested in peace.

[Reporter] What will happen from now to 16 December? We have the impression that the M-19 is in a type of limbo?
[Pardo] The process has a time schedule. Let us see, it is the following: The agreement signed 26 September will be submitted to the Liberal and Social Conservative Parties who have to decide, by consensus, their position on these agreements. Next week, the government will send Congress a bill that will allow the armed rebels to be pardoned so that they may return to civilian life under the government's national reconciliation policy...

[Reporter, interrupting] On the specific point of the pardon, and according to the document that was signed 26 September, when is the government supposed to present a pardon bill to Congress?
[Pardo] The government will present the bill to Congress next week, Juan.

[Reporter] Right, understood.
[Pardo] The bill will allow the president to pardon people who are in armed rebel groups and who decide to

accept the demobilization process according to the government's reconciliation policy. The bill will also be a general one and is not for the M-19 only or any other specific group. However, the pardon will depend on each armed group's demobilization. Once the parties state their position regarding the government and the M-19 agreement, we will proceed to implement the agreement. Some sections of the agreement are bills that have to go to Congress, others are fundamental matters to be covered in the constitutional reform procedures, and still others are executive branch measures that the government would have to deal with. Therefore, when an agreement has been reached between the political parties, the government, and the M-19, a plan would be implemented which includes the M-19's surrendering their weapons, demobilizing, and reentering civilian life. M-19 members will be given a full pardon when they surrender their weapons.

[Reporter] Since the legislature's term ends on 16 December, the pardon would supposedly be in effect by then. How long would the pardon option be in effect? When would it expire?
[Pardo] The bill has several articles and features. I think that its provisions will be looked at more closely when it is submitted to Congress. I do think it is important to point out that the pardon is contingent upon, or has to be simultaneous with surrendering weapons. In other words, the pardon will be granted when the weapons are surrendered.

[Reporter] Doctor Pardo, the next step would be to submit to the working committees—which are made up of the government and the political parties—the agreement that was signed 26 September at Cauca in order for the committees to ratify it.
[Pardo] That is right. They are supposed to analyze it, state their position, and make a decision on the agreement by consensus.

[Reporter] How will the problem of the security of M-19 members who return to civilian life be handled?
[Pardo] Well, this is one of the points to which we have devoted more time during these meetings and in various talks with the M-19. A concrete plan and some details are still pending. This is a key feature because those who are going to surrender their weapons need adequate protection and security to protect their lives. We still have to finalize some details and discuss some things. We expect to have the security plan worked out in detail on the same date the working committee meets.

[Reporter] One last question, Dr Pardo. Regarding the M-19's position that the government must engage in dialogue with people who are reportedly linked to the drug trafficking, is this included in the text of the agreement? Is the government obligated or is it a suggestion by the M-19 to the government?
[Pardo] No. Things stand as they are. We were in Santo Domingo on 25 September. We ended the meeting we were holding there and left for Cali. That night [changes thought] no, yesterday, 26 September, we learned in the newspaper EL TIEMPO about the M-19's position, which it had revealed in both a news report and an advertisement. We did not learn the news from the M-19 but from EL TIEMPO. Having learned about this, we thought that it would be pertinent to make clear to the public that this topic had not been discussed, dealt with, and much less agreed to in the peace talks between the government and the M-19.

So, there is some confusion. This matter was not even raised during the meeting between the government and the M-19. This is an independent position of the M-19 and was not part of the talks, much less of the agreements.

[Reporter] Dr Pardo, when will the working committee meet to discuss this agreement?
[Pardo] We are going to deliver a copy of this agreement to the leaderships of the parties between today and tomorrow. We will then call a meeting promptly, the date of which must be set by consensus, in order for the committee to make the decisions and establish the positions on the agreement between the government and the guerrillas.

[Reporter] Thank you, Dr Pardo, for explaining to Colombians through RCN [Radio Cadena Nacional] what the agreement between the government and the M-19 consists of.
[Pardo] Thank you very much, Juan.

[Reporter] Dr Pardo, who is the government's peace adviser, has scored a hit as they say in baseball jargon. This is one point in his favor. He managed to get the M-19 to sign the agreement, which will now be submitted to the working committees for ratification. If the process is completed, the bill on the pardon, which is supposed to be submitted to Congress next week [changes thought] in a nutshell, if all the steps that are contemplated in the agreement are fulfilled, the M-19 will forsake guerrilla life on 16 December at the latest, return to civilian life, surrender their weapons, and turn them over to an international commission.

## Two M-19 Spokesmen Kidnapped

*PA2909000689 Hamburg DPA in Spanish 2333 GMT 28 Sep 89*

[Text] Bogota, 28 Sep (DPA)—It has been reported in Bogota that two spokesmen for the Colombian guerrilla group 19 April Movement (M-19) were kidnapped today by unidentified persons in a rural area of Boyaca Department, in southwestern Colombia.

According to initial reports, M-19 leaders Francisco Marino Vargas and Jose Domingo Tombe were traveling in the vicinity of the town of Jambalo when several unidentified persons intercepted them and forced them to climb into a helicopter, which took off for an unknown destination.

It was learned that the two guerrilla leaders were preparing to participate in a town meeting with Indians in the area.

Army spokesmen said they had no clues as to their whereabouts and denied reports that Army troops had arrested them.

The M-19, the only insurgent group currently holding direct talks with the Colombian Government, is on the verge of surrendering its weapons and returning to civilian life in the context of a peacemaking process that began early this year.

One of the conditions demanded by the M-19 for a successful completion of the talks is protection for its members; 10 of them have been murdered since January.

### Israeli Entrepreneurs Involved in Canal Project

*TA2809205189 Jerusalem Television Service in Hebrew 1900 GMT 28 Sep 89*

[Text] Israeli entrepreneurs together with the Colombian Government are planning an alternative to the Panama Canal. This would be a special crossing through Colombian territory linking the Atlantic and the Pacific Oceans. The project would cost hundreds of millions of dollars, and its planning—and even more so the Israeli involvement—has been kept secret in Colombia. Sixty engineers and technicians are already employed by the Israeli company in Colombia. Our correspondent Hayim 'Azran is here in the studio with initial details about the Israelis and the Colombian canal:

The Israeli-Colombian plan is to link the Atlantic and Pacific Oceans by a special crossing: a land bridge which would include roads, railways, and a deep canal for ships to sail through. The site chosen for the canal is a wide valley strewn with rivers and streams. The valley is located on Colombian territory south of the Panamanian border.

The plan has been approved by the Colombian Government, which has commissioned the plan to be overseen by Consonplen, the Colombian name of a company behind which stands a wealthy Israeli businessman, Hayim Ben-'Ezra. Ben-'Ezra had been the director of the local branch of Tahal, the Israeli company for water planning. After retiring from Tahal he set up a company named BEC, the acronym for Ben-'Ezra Colombia. BEC, the company carrying out the project, is assisted by the Histadrut-affiliated Koor company. Hayim Ben-'Ezra has connections within the Colombian regime. One of BEC's most senior executives is Prof 'Ezra Sadan, the former director general of the Israeli Finance Ministry, who is BEC's representative in Israel.

The plan to dig another water canal through Colombian territory or, alternatively, to build a land bridge, has been taking shape under a shroud of secrecy since the early 1980's. The preliminary survey for the land crossing project was completed in the last year, and plans are now proceeding. The Colombian Government strongly supports the cooperation with the Israeli entrepreneurs, but the plan to engineer an alternative crossing to the Panama Canal might run into difficulties, mainly in view of the position of the United States, which is not at all thrilled about the plan or its implementation by elements which are not American.

## Continuing Coverage of Colombian Drug Crisis

### Mayor on Antidrug Campaign

*PA2709202189 Bogota EL TIEMPO in Spanish 24 Sep 89 pp 2-B, 3-B*

[Report on interview with Medellin Mayor Juan Gomez Martinez by unidentified EL TIEMPO reporter at La Alpujarra Building in Medellin—date not given]

[Text] Medellin—He looks more like the director of a seminary than the mayor of Medellin, the Colombian city that elicits the greatest fear in the world these days. With an unassuming tone and pausing between phrases, he goes on making the kind of statements that create a stir every once in a while.

Moved by a sort of Quixotic spirit, Juan Gomez Martinez runs counter not only to the plans of President Virgilio Barco—the top national authority—but against those of the leading world political figures. Presidents George Bush and Francois Mitterrand as well as British Prime Minister Margaret Thatcher have said it: War or nothing! But not Gomez; he thinks differently.

"We must engage in dialogue with the drug lords," he says. The dialogue would be a forerunner to a negotiation between the government and the mafia.

This is the belief of this 55-year-old man, this 100-percent controversial and argumentative Colombian who has been described as God-fearing and garrulous by a sector of the national public and honest and sincere by those around him.

EL TIEMPO visited him at his office in Medellin, which is decorated with repousse leather chairs, pre-Columbian art, and works by painters from Antioquia.

There, at the Alpujarra Administrative Center, the hub of official power in Antioquia Department, he keeps a telephone line open to drug traffickers. While the mayor was attending to his visitors, a drug trafficker called the number and talked with the controversial head of the municipal government.

It is hard to probe his heart to find out if he makes his explosive statements out of fear. However, he proudly remembers the day he shot it out with two mafia men. This was on 22 November 1987 when his campaign for mayor of Medellin was in full swing.

Each one of his responses is full of a pragmatism that may sound painful to anyone who has felt the overwhelming influence of the drug business.

Gomez cannot even be suspected of being a mafia spokesman. However, his independent views—quite distant from the nation's current line of thinking—go so far

as to rule out any mafia involvement in Luis Carlos Galan Sarmiento's recent murder.

Perhaps only those who are truly conversant with the small and secluded inner world of Colombian drug trafficking can judge his sincerity. The others will have to keep his statements in mind until such a time as they can assess the validity of this man's convictions.

[Reporter] What you propose to the country—no more, no less—is a dialogue with those who are accused of murdering Rodrigo Lara Bonilla, Guillermo Cano, Carlos Mauro Hoyos, and dozens of judges and magistrates.
[Gomez] If I said that one cannot talk with those who have assassinated important people, I would put the Colombian Government in a difficult position. The question is: Who assassinated justice in the country? The M-19. And the government is participating in a dialogue with the M-19. A lot of progress has been achieved through dialogues. We must talk with all groups that destabilize the country.

[Reporter] But the M-19 is a political guerrilla group.
[Gomez] I do not think so. The M-19 has an economic goal like the drug traffickers.

[Reporter] You insist on your proposal for a dialogue despite Luis Carlos Galan's assassination.
[Gomez] I do not think the mafia killed Galan. I see no reason for them to do it.

[Reporter] Then why has the mafia not denied the accusations that it killed Galan—just as it denied it had kidnapped Alvaro Gomez Hurtado.
[Gomez] I do not know if a person has to state continuously: I did it, or I did not do it. I see no reason why the mafia would kill him.

[Reporter] If the mafia did not do it, then who did?
[Gomez] Investigations will eventually reveal who did it. I cannot say that they (the drug traffickers) did it. The doubt will prevail until someone claims responsibility for the crime or until someone is arrested and confesses.

It seems that this absent-minded man—his wife, Maria Teresa, has had to remind him about their wedding anniversary for 27 years—likes to leave some doubts floating in the air.

Talking about the murder of Antioquia Governor Antonio Roldan Betancur, Gomez said he is not convinced that the mafia did it. Gomez says with a clear paisa [Antioquian] accent: "Eeeh, Holy Mary, many things happen in this country, so no one really knows who fired the shots."

The subject on which he continues to insist is the dialogue. He expands on this: "My telephone is an open line for the traffickers. Anyone can call me and I will gladly answer; and we can talk. I could act as intermediary in the dialogue."

However, he is careful to warn that he is not the only one who has made the offer. He mentions a paragraph of President Barco's speech in which he presented his peace proposal: "We can say, in simple terms, that there is a violence linked with the rebel groups and another violence that has no connection with the subversives. The initiative is aimed at the two sectors that are guilty of disturbing the public peace."

[Reporter] You say that the dialogue would open the doors to a negotiation. In your opinion, what would be the conditions for that negotiation?
[Gomez] I believe that the drug traffickers could offer several points. For example, they could turn themselves in to the authorities. They could turn in their weapons. They could quit the business.

[Reporter] Why would they do all this?
[Gomez] I believe they are terrified of being extradited. They would be willing to accept anything other than extradition.

[Reporter] What do you think about extradition?
[Gomez] I do not agree with it. We have just heard the Israeli ambassador say that his country does not extradite its citizens, and no one criticized him. An agreement not to extradite anyone might be one of the solutions to the problem.

[Reporter] Are you not afraid of the Mafia and is that not the reason for your proposal?
[Gomez] I told Minister Lemos Simmonds the following: "Tell me the name of a family that has shot it out with the Mafia and see if that person is afraid." So, am I the most fearful person in the country? I do not think so. On the other hand, many people have left.

[Reporter] There are those who say that your fear of the Mafia comes from the past. Why, for example, did not your newspaper, EL COLOMBIANO, publish the MIAMI HERALD reports on the drug traffickers in February 1987 when most of the other print media did so?
[Gomez] Because they were soap operas. They repeated what everyone knew: that the Ochoa family was involved in drug trafficking. I have never agreed with that kind of journalism. The papers even published photographs of people who the courts have said are not at all involved in the matter, such as Fabio Ochoa Sr.

[Reporter] You said that many people in the country have "glass houses," meaning that they have had dealings with the Mafia. To whom, specifically, are you referring?
[Gomez] I could not be specific and give names of the people in the country who live in "glass houses."

[Reporter] Why not?
[Gomez] I believe that people of all classes—political, economic, and financial—have had something to do with drug trafficking. I do not rule out any class, not even the political class. Not a chance. However, I do not condemn any class totally, either.

[Reporter] But without generalizing, who has negotiated with the mafia?

[Gomez] Many Colombians have negotiated with the drug traffickers. They negotiated in this manner —and I am told that there is still a lot of this going on: If they had, for example, 100,000 pesos, they gave it to the drug traffickers and a week later they got 200,000 pesos in return.

[Reporter] But what are those people's names?
[Gomez] I am not going to provide names. Those people are as much to blame as any drug trafficker. This multiplication of money was reported a great deal here in Medellin. Another way of dealing: If a person had some property and one of those men offered him double what it was worth, he would sell, knowing full well to whom he was selling. Houses, farms...

[Reporter] Suddenly, overnight, bombs stopped exploding in Medellin. Is it true that you held secret talks with the mafia?
[Gomez] I know that many people believe that I talked with the mafia to solve the problems of public order in Medellin, but that was not the case. Actually—and I say this frankly—if I were able, I would tour the country to talk with each one of them in every city, and I would have the country pacified within 20 days.

[Reporter] Why then did the Mafia stop its terrorist actions in Medellin?
[Gomez] I believe that terrorism stopped in Medellin because the people became disciplined. They realized that it was everyone's problem, and they are cooperating with the authorities. However, there has been violence in recent days, although less than before.

The mayor gets to his feet. His secretary whispers something to him and he immediately picks up the telephone. He speaks in a somewhat mysterious tone. The mayor gives an explanation to his caller about his recent statements. He then asks the other person not to speak in that tone. He says good-bye and hangs up.

[Reporter] Who called you, Mr Mayor?
[Gomez] A guy who said he was a drug trafficker. He asked me not to reveal their names. He apparently did not understand the statements I made when I said that many people had dealings with them.

[Reporter] Do you know the person who called you?
[Gomez] No. This is the first time he has called, and he did not identify himself.

[Reporter] Has Pablo Escobar called you or spoken to you?
[Gomez] He has never called me nor have the Ochoas. I spoke to Pablo Escobar once. I was the assistant publisher of EL COLOMBIANO. That was about 1982. He came with a priest to say that they needed the newspaper's support because Escobar was going to build a housing project to eliminate several slums. I told him that I would publish information about the project, but nothing about him, because we were not going to serve as stepping stones for people to climb on. He agreed.

[Reporter] And what do you think of Pablo Escobar?
[Gomez] I think he is a person who has done much harm to youths and much harm to Colombia. He has taken a path that is destroying our institutions. I think Escobar should think things over.

[Reporter] Do you believe that a person accused of so many crimes can think things over?
[Gomez] People have to be given a chance to think things over. I believe that he, like any other person, can do so.

[Reporter] Who do you think is going to win this war?
[Gomez] There are no winners in this war, only losers. I ask whether a war against drug trafficking can be won with two Hercules aircraft, eight other airplanes, and a few helicopters. The war should be total.

[Reporter] Total in what way?
[Gomez] There are also drug kingpins in the United States. As far as I know, none of them has been arrested. The big business is over there. If Colombia had received the money that is produced by drug trafficking, it would be the richest country in the world. They talk about $500 billion. No more than 10 percent of that amount comes here.

[Reporter] So the United States should cooperate more in this matter?
[Gomez] Of course. If there is a war, we should combat the distribution of drugs over there. Moreover, they produce crack, which is a dangerous drug.

[Reporter] This war will not be successful?
[Gomez] There are two ways to fight drug trafficking: legalization or total war. A one-way war, like the one being waged in Colombia, seems to me unlikely to succeed.

[Reporter] Why?
[Gomez] Let us suppose that they kill all the kingpins in Colombia. Will international production end? I do not think so. That has already been tried in Turkey. Cultivation was stopped there and is now being done in the bordering countries.

[Reporter] If the drug traffickers are not defeated, what will happen?
[Gomez] In the United States they fought against alcohol and this resulted in wars and killing. Now whisky is consumed at all gatherings, and the distributors of that period have become a part of U.S. society.

No more questions. Juan Gomez Martinez leaves for a lunch of tripe, accompanied by his wife and his five children.

On the future, he said that all he wants is to return to his office at EL COLOMBIANO, the office that he locked up 15 months ago when he assumed the post of mayor of Medellin.

### 1,200 'Secret Agents' Deployed

*PA2809021789 Paris AFP in Spanish 1506 GMT 27 Sep 89*

[Text] Bogota, 27 Sep (AFP)—Local authorities have reported that, effective today, 1,200 new secret agents

will reinforce street vigilance in Bogota to try to identify the terrorists who have detonated 41 bombs in the capital in the past 40 days.

Bogota Mayor Andres Pastrana said he has not yet considered establishing a curfew, although the situation is worrisome. However, he said he will take this measure "if conditions warrant it."

"We thought the bombs were being planted only at night, but we have seen that they are planted as early as 1600," Pastrana said. He recalled that on 26 September two terrorists hurled a bomb against a store at 1615 (2115 GMT), when the store was full of people. The attack, which partially destroyed the place, injured six people.

The increased vigilance in Bogota was decided during a meeting between Pastrana, the police and Army commanders to analyze the series of attacks in the capital since 18 August, when Luis Carlos Galan, senator and Liberal Party presidential hopeful, was murdered near Bogota.

Pastrana said that 700 13th Army Brigade personnel and 500 policemen will go on the streets to do intelligence work. Some members of this force are members of the Administrative Department of Security.

According to Pastrana, the secret agents will support surveillance and investigative operations but will act only on specific cases of terrorism. Their objective will be to prevent dynamite attacks.

Pastrana also said that today he delivered 200 new motorcycles for patroling operations in the city. The watch on banking areas, schools and universities, political party headquarters, and supermarkets, some of which have been the target of dynamite attacks, will be rigorous.

Bogota Police Commander Colonel Nacin Yanine Diaz has said: "We hope to find the terrorists and to capture them." Colonel Diaz has ordered that policemen keep a strict watch on power plants, telephone centrals, and the water and sewage enterprise.

Military patrols around newspaper buildings and radio and television stations have also been increased.

### Car Bomb Explodes Prematurely

*PA2809022889 Buenos Aires REUTER in Spanish 0130 GMT 28 Sep 89*

[Text] Bogota, 27 Sep (REUTER)—The police have reported that several people were injured tonight when a car bomb exploded at a gas station in a northern Bogota suburb.

A police spokesman said that he did not have any further details on the explosion, which occurred in the Suba neighborhood.

Today's blast coincides with the government's decision to deploy 1,200 secret agents in the streets of Bogota to counter the wave of terrorist attacks. [In a similar report on the car bombing, Madrid EFE in Spanish at 0147 GMT on 28 September adds the following: "A car bomb exploded in a gas station in northern Bogota killing three persons, apparently the terrorists."]

### Supermarket, School Attacked

*PA2709151289 Bogota Radio Cadena Nacional in Spanish 1200 GMT 27 Sep 89*

[Text] Bogota—The results of two new terrorist actions against a Carulla supermarket and a high school has left six persons wounded, including a policeman, and millions in material losses. It has also been reported that a bomb attack against a political party office has been prevented. A Bogota Metropolitan Police spokesman has reported the names of the persons wounded. They are: Juan Manuel Jimenez, Rafael Tarsona, Gloria Rincon, Esperanza Vargas, and Fabiola Lopez, who is pregnant. According to the same official report, the mentioned citizens were near the Carulla supermarket, located on 47th Street and 13th Carrera in Barrio Palermo, when the attack took place. The second terrorist action took place at the San Ignacio de Loyola School, located on 21st Carrera and 27 South Street in Barrio Olaya Herrera. The action caused serious damage but no victims were reported. National Policeman Gallardo Perez foiled a dyanamite attack against a political party office on 57th Street and 7th Carrera. The policeman confronted the two terrorists and he was wounded by a bullet.

### Two Killed in Car Bomb Explosion

*PA2809132889 Bogota Radio Cadena Nacional in Spanish 1233 GMT 28 Sep 89*

[Interview with General Octavio Vargas Silva, National Police operational commander, by Eduardo Carrillo in Bogota on 28 September—recorded]

[Text] [Carrillo] I have been in touch with General Octavio Vargas Silva, National Police operational commander and inspector. Gen Vargas has said that the two people who were killed in the attack that took place at Suba Municipality last night have not yet been identified.
[Vargas] Two people were killed and five others were wounded as a result of the attack. The two people who were killed are yet to be identified. Those wounded include three employees of the gas station where the car bomb went off and two people who were walking by the gas station at the moment of the explosion. Preliminary reports have estimated that the explosion caused 70 million pesos in losses.

[Carrillo] General, approximately how many kilograms of explosives were in the car bomb?
[Vargas] Apparently it contained 60 kg of dynamite. The dynamite was placed inside an old station wagon. Something must have happened to the people who were inside the vehicle at the time of the explosion—the two people who were killed. Apparently the car bomb went off by accident. It was not supposed to have gone off at that gas station.

[Carrillo] Have the people who were killed been identified?
[Vargas] No, not yet. We are trying to identify them now.

[Carrillo] Are there special security measures to counter this wave of terrorism?
[Vargas] Yes, of course. We are carrying out a series of joint actions with the Bogota Police Department and Administrative Department of Security personnel to neutralize terrorist actions. We are carrying out those actions in areas we consider critical or vulnerable and in other areas where we are counteracting and neutralizing terrorist actions, as I told you.

[Carrillo] Are there secret agents throughout the entire city?
[Vargas] Yes, we have uniformed and civilian personnel guarding the city right now. We also have the support of the Bogota Police Department, of DIJIN [Directorate of Judicial Police and Investigations], and of CIJIN [expansion unknown]. They are cooperating with us. They are guarding areas we consider critical or places that could be targets of terrorist attacks.

[Carrillo] What other measures have you adopted along with the 13th Infantry Brigade and the Bogota mayor?
[Vargas] We have implemented a number of measures, such as increasing personnel on the streets and human and material resources. In addition, we have established checkpoints in areas we consider critical, and are carrying out a number of operational activities that will help us locate these criminals.

### Bomb Explodes at Bank

*PA2809182989 Bogota Inravision Television Cadena 2 in Spanish 1734 GMT 28 Sep 89*

[Text] A bomb exploded at 0030 on 28 September in front of a bank on 64th Street and 13th Avenue in Bogota. The bomb, containing 3 kg of dynamite and detonated by a slow electrical fuse, was thrown against a booth in front of the Colpatria Bank.

A night watchman for a nearby store was injured as a result by the shock wave. The damage done to the bank does not run over 5 million pesos. However, practically all the glass windows of the stores and homes in the surrounding area were destroyed. The metropolitan police reported no one has been arrested in this attack, but they are searching for a white Renault, apparently used by the terrorists.

## Ecuador

### Armed Forces Occupy Oil Installations

*PA2809230789 Buenos Aires REUTER in Spanish 2134 GMT 28 Sep 89*

[Text] Quito, 28 Sep (REUTER)—The Ecuadoran Armed Forces today occupied the installations seized by striking Ecuadoran oil workers while emergency personnel are planning to resume operations in the next few hours, an official in the oil sector has reported.

Luis Roman, president of the state-owned Ecuadoran Petroleum, Petroecuador, said during a news conference that attempts are being made to resume activities following the 27 September strike by 740 Texaco workers and the announcement of a state of emergency by the government.

"We are going to resume operations today. We will gradually step up our activities until we reach a normal level during the next few days," the official added.

He added that 80 workers from other oil installations were dispatched to the oil fields in eastern Ecuador and to the oil pipeline to evaluate the installations to resume production and oil pumping.

"We are completing the eviction of the Texaco oil workers to enable the Petroecuador personnel to assume and begin operations today," Roman said. He added that the installations will remain under military control until full normalcy returns.

He announced that oil exports will remain suspended to guarantee the domestic supply of fuel and did not rule out gasoline imports from neighboring countries.

President Borja declared a state of emergency throughout the nation and suspended the constitutional guarantees of the striking workers.

The 740 Texaco workers went on an indefinite strike on 27 September to demand that the company compensate them for the cancellation of their labor relations.

Texaco canceled the workers' contract after the government decided to take over control of the trans-Ecuadoran oil pipeline, which Texaco operated for 17 years, beginning on 1 October.

The transfer of control over the pipeline will leave 174 Texaco workers jobless.

Texaco contends that the cost of the benefits, totaling some $36 million, must be shared by the other member of the consortium—Petroecuador.

Petroecuador's share in the consortium is 62.5 percent, and Texaco's is 37.5 percent.

The government claims that the workers' labor and legal relationship is with Texaco and not Petroecuador.

Ecuador has been an OPEC member since 1973 and currently produces 300,000 barrels of oil a day. The oil exports represent 60-66 percent of Ecuador's export revenues.

### Borja Comments on Strike

*PA2909025789 Hamburg DPA in Spanish 0037 GMT 29 Sep 89*

[Text] Quito, 28 Sep (DPA)—A climate of tension could be felt in Ecuador today, just hours after the beginning of a government-decreed state of emergency followed by the military take-over of all the oil installations to try and stop the strike that has paralyzed oil exports.

In a speech in the small town of Ibarra, 110 km north of Quito, President Rodrigo Borja confirmed the decision to take over 1 October the operation of the oil pipeline that links the wells in the Amazon jungle with the refineries and ports on the Pacific.

"There are political interests at stake," Borja stated, announcing that his government "will not allow the economy to be paralyzed" by the suspension of activities of its vital oil sector, which provides half the government's income.

The approximately 800 workers of the U.S. Texaco company, the current operator of the oil pipeline, went on strike at noon on 27 September to demand compensation payments of $46.1 million in accordance with their labor contract because the state rejected the salary lists accepted by Texaco. This, according to the contract, gives the workers the right to claim such compensation.

The government reacted to the strike by declaring it illegal, decreeing a state of emergency, and placing the ports, wells, and refineries under military control. The operation, according to labor sources, was violent and 14 leaders were arrested.

The Social Democrat government had announced a year ago that on 1 October 1989 it would take over the handling of the oil pipeline. It is the main partner of the consortium with Texaco, which currently handles the domestic oil transport.

## President Borja Discusses Debt, Other Problems

*PM2909080789 Barcelona LA VANGUARDIA in Spanish 10 Sep 89 p 12*

[Interview with President Borja by Santiago Tarin in Quito; date not given]

[Excerpt] [Passage omitted] [Tarin] Mr President, you have repeatedly stated that your country's debt is not payable. Is it an insurmountable difficulty or is there a way to resolve it?

[Borja] The foreign debt is the No 1 obstacle to our development and growth. Unconventional solutions to the problem must be sought. Conventional solutions are no good right now. I believe that we are all—both creditors and debtors—aware of this. This has become a political problem, although initially it was purely financial. That is why we must seek unprecedented solutions, which necessarily entail a reduction of the principal. The Brady plan outlines such a solution, reflecting the fact that for the first time the Americans agree with us that the debt is unrepayable on conventional terms and that we must therefore seek arrangements within our economy's means. The case is similar to that of the other Latin American countries. To a greater or lesser extent, we are all being economically and financially stifled by the debt.

[Tarin] And its consequences...

[Borja] Yes. The problem is especially grave if we bear in mind that it could wreak havoc with the processes of consolidation of our democratic systems, which because of their lack of liquidity are currently in no position to meet the population's demands effectively. This is very grave. It is really grave for Latin Americans to become convinced that democracy is ineffective. That is why we are determined to seek a solution to our countries' foreign debt problem.

[Tarin] That is, although most Latin American countries are democracies or moving toward democracy, these processes are fragile.

[Borja] The Latin American democracies are undoubtedly fragile because they cover only the political aspect of the democratic approach. Democracy has three major elements—political, economic, and social. We are creating a purely formal democracy. We are attending only to the first of those aspects, and I believe that this is Latin America's main problem. These are formal democracies that have had no real chance to tackle a fair distribution of national income among all the sectors which help to produce it. It follows from this that there is just a fragment of democracy. Democracy must tackle the economic and social problems affecting our peoples at their root. Then we will impart substance and strength to the democratic systems. Because democracy is not simply an idea that legitimizes the exercise of power. It must be a system that distributes the goods and services society produces fairly.

[Tarin] There are two sides to the foreign debt problem—the debtors and the creditors. You have been in power for a year. Do you believe that a change of attitude on the industrialized countries' part could be observed during this time?

[Borja] I believe that there is a change of attitude. It is not just a matter of the Brady-style approach but something more: The idea that debtors and creditors should share sacrifices in resolving the problem. This is the new approach gaining ground in the international financial world. From this viewpoint, I believe that a new prospect is opening up.

[Tarin] You are optimistic...

[Borja] Optimism is a fault of mine.

[Tarin] Could there be a single model of development for Latin America, or must each nation seek its own way?

[Borja] Each country has different circumstances, different levels of development, and different problems. A single prescription to tackle the host of Latin American problems cannot be sought. I do not deny that there are common denominators. One of them is the debt, and another is inflation, but in many other respects we have different problems requiring different solutions. Even in the case of the common denominators, the tactics that should be used to resolve the problem of inflation and the foreign debt are variable. So I can see no chance of a single prescription to tackle Latin America's ills. Each country will have to seek its own methods and then its path toward development.

[Tarin] Ecuador lies between two strife-torn countries—Colombia and Peru. Are you afraid that drug trafficking or guerrilla warfare could change its social scene?
[Borja] Social peace is one of Ecuador's economic assets. I do not believe that this will change. Here there is no guerrilla warfare, and drug trafficking is at a very early stage. We are combating it even at that early stage, because we are well aware that it must not be allowed to develop. When that problem develops, it is very difficult to combat, and the response comes too late.

[Tarin] The imaginary line dividing the whole globe into two hemispheres passes through your country. In which of the two parts does Ecuador wish to stay—in the North or in the South?
[Borja] The equator crosses our country, but if we must take economic indexes and indicators into account, we are in the Third World, we are in the South, and we are engaged in the tough struggle for development. This does not mean that we do not wish to do everything possible to establish a dialogue and mutual understanding with the countries of the North. I will be going to Spain with precisely this in mind.

## Paraguay

### Rodriguez on Talks With Bush, UN Visit

*PY2909021489 Asuncion Red Nacional de Television in Spanish 2340 GMT 28 Sep 89*

[Excerpts] [Reporter] This is a live report from the Silvio Petirossi International Airport where the Lineas Aereas Paraguayas plane carrying President Andres Rodriguez and his delegation to the UN General Assembly just landed. [passage omitted]

[Reporter] The welcome ceremony is over, Mr President. The national television network is carrying live coverage of your arrival. What is your opinion of this trip, of this new milestone in Paraguayan international relations?
[Rodriguez] Upon returning to our beloved land I feel that my spirit and optimism have been strengthened by the results we obtained thanks to the sincere cooperation of the delegation that accompanied me, the businessmen, the various sectors including the reporters who successfully fulfilled their mission. We were also successful in the mission that took us to the United Nations. I believe that the result of the visit will be positive because the international relations of our beloved country will be strengthened.

[Reporter] What is your impression of your meeting with President George Bush?
[Rodriguez] I did not have a very private meeting with him. I did have the privilege of sitting next to him at a dinner for 120 people invited by him. We had a friendly talk, a very cordial talk. I talked about his daughter who called on me at the hotel that afternoon. That night we had an opportunity to talk. I said that we have great hopes, that I was very happy to have the privilege of being at his table, that Paraguayan-U.S. friendship should be strengthened by our conversation. I said that we have great faith and hope in the leadership of the greatest democracy in the world, that we were expecting their cooperation to strengthen our democracy because only through economic aid from international organizations will we be able to have democracy with social justice in a country in a good economic situation.

[Reporter] According to the talks you held, what are the possibilities for investments?

[Rodriguez] Yes, there are many. David Rockefeller came to see me, and I had a chance to talk with him on various matters. Yesterday I was invited to visit his estate which is a real beauty. I also talked with his wife. They know Paraguay, and they are very interested in us. I believe that if they tell their friends to go to Paraguay to invest, they will be well received here in Paraguay.

[Reporter] What is your evaluation of Latin American unity from the UN meetings you held with various presidents?

[Rodriguez] We are involved in that policy. The policy of our country is integration, and that integration will become real through physical projects among our countries. Integration through the interconnection of rivers has become the permanent concern of Presidents Paz Zamora, Sarney, Sanguinetti, and Menem. I talked with IDB president Enrique Iglesias about this. There is already a project under study, and money has already been allocated for this project.

[Reporter] Has the Paraguayan image in the world definitely changed, Mr President?

[Rodriguez] I believe it has. You probably saw that by yourself. I believe that this is what we are seeking. We are seeking to show the current real image of Paraguay.

[Reporter] You are also a leader of the Colorado Party. How did you feel about being welcomed by members of the Authentic Radical Libral Party in New York?

[Rodriguez] I received the greetings of all Paraguayan residents there. There were groups from all the political parties. I did not look at what party they belonged to. As a Paraguayan citizen I greeted them enthusiastically. I was very grateful for their welcome to New York.

[Reporter] Mr President, what are your final words to the national television network that is carrying live coverage of your return to the country?

[Rodriguez] Once again New York became the capital of the world because there were 139 representatives of various countries, including chiefs of state, prime ministers, and delegations. They expressed their concerns. All points from all sectors were discussed. Therefore, as I said to the members of my delegation, my spirit and optimism have been strengthened. I feel that under these conditions we can continue to strengthen the prestige of the democratic, social, and economic life of our beloved Paraguay.

[Reporter] Thank you, Mr President.

### Colorado Party Suffers 'Serious Crisis'

*PY2909015089 Asuncion ABC COLOR in Spanish 28 Sep 89 p 5*

[Excerpt] The Colorado Party [ANR—National Republican Association] unity pact signed by the various ANR factions on 15 March was apparently definitely broken yesterday when the ANR appointed its representatives to the National Electoral Board (JEC). Because the ANR appointed only members of the party's traditionalist faction, the members of other ANR factions walked out of the meeting. This is the most serious crisis the ANR has experienced since the coup d'etat.

During the meeting, which was closed to the press, the ANR appointed its representatives to the JEC. According to ANR dissident faction leaders, everything was set to appoint only representatives from the traditionalist faction. Although the press did not have access to the meeting, numerous people who are not ANR precinct captains were allowed to participate in it. Serious disagreements therefore ensued among dissident faction leaders who were not allowed to participate in the meeting of ANR authorities.

At the start to the meeting, Angel Roberto Seifart moved that six ANR traditionalist leaders be appointed representatives to the JEC. In view of this, the dissidents demanded the inclusion of two members from any of the dissident factions. The dissidents also requested the implementation of an intraparty agreement which establishes the distribution of party posts on the party board and in congress, as well as other elective posts among traditionalist and dissident factions.

The traditionalists reported that the party pact had already been broken by dissident leader Ceferino Ramirez in the Senate and that they were therefore not compelled to uphold it.

Victor Hugo Sanchez called for a vote on the Seifart motion but the dissident factions proposed a recess to try to achieve an agreement. However, the ANR members were unable to agree because both sectors upheld their positions.

After the meeting reconvened, the traditionalists were able to call a vote on the representatives that had been nominated. This caused all the dissidents to walk out amid boos and jeers from the grassroots representatives who were observing the meeting from the corridors. [passage omitted]

## Peru

### President Garcia Criticizes U.S. Drug Plan

*PY2809230589 Madrid EFE in Spanish 1438 GMT 28 Sep 89*

[Text] Madrid, 28 Sep (EFE)—In an article entitled "Speaking Frankly," published today by the Madrid daily EL PAIS, Peruvian President Alan Garcia reviews drug trafficking and the U.S. proposal to combat it.

Garcia said: "We hail the decision voiced by President Bush. We also hail his call to the U.S. people to repress consumption and reinforce education. In our opinion, however, much more importance has been attached to the issue of repression and legal sanctions than to the so-called assistance to the productive countries."

Alan Garcia adds: "The latter issue is the weakest point of the proposal; not only because of the scanty economic aid, but because of the means used. By supplying some weapons and airplanes to the governments only the symptoms of this great problem are attacked."

Alan Garcia argues: "For the United States, an economic relationship with the farmers and peasants of Peru and Bolivia and a true alliance with the producers would be more important. This alliance would make every farmer in Peru, Bolivia, and Colombia play a decisive role against drug trafficking."

The Peruvian president then asks how replacement crops can be made competitive with the coca crops: He responds: "First, by establishing an agricultural credit fund [fondo de avio agricola] and by guaranteeing the prices of those products. Thus, the peasants would not be dependent on merchants and would receive a greater percentage of the international price."

"Second, by technically improving the production of coffee, cocoa, and achiote it would be possible to increase their return per hectare," and, third, by establishing in the area "industries to process coffee and chocolate," which would "increase their market value," Garcia said.

Alan Garcia believes that "with these measures, a new way of thinking would be promoted that would involve very peasant in a role against drug trafficking. In that way very concrete goals could be proposed."

The Peruvian president adds: "Moreover, if, as a police support, we also add a network of radar and interceptor airplanes on the Peruvian-Colombian border, we could significantly reduce the cocaine supply." This is a concrete proposal."

Alan Garcia said: "I have criticized the fact that in the proposal voiced by Bush only $260 million per year has been allocated as assistance for the three countries." Garcia compared this figure with the U.S. military budget and the federal budget. He concluded: "If, as it has been mentioned, drug addiction is the worst scourge, then this budget is out of proportion."

"The problem is not how much it costs (to combat the production of coca) but how much it will cost later for not having combated the production of coca," the Peruvian president indicated. He added: "The peasants can be the most solid allies of the U.S. society in its struggle against drugs. The peasants also want to free themselves from the drug traffickers. I hope that this proposal will be taken into account."

## Garcia on Cabinet Reshuffle, Debt, Terrorism

*PY2809180089 Lima Television Peruana in Spanish 0110 GMT 28 Sep 89*

[Excerpts] Last night President Alan Garcia attended an APRA [American Popular Revolutionary Alliance] Executive Board meeting presided over by Deputy Benigno Chirinos, APRA deputy general secretary, who is filling in for Alva Castro, APRA general secretary and presidential candidate, while he is abroad.

During the meeting at APRA headquarters, Garcia briefed the APRA National Executive Board on his presidential efforts to reach an agreement on the upcoming Cabinet reshuffle.

The president told reporters that the remarks of some politicians who said that Peru would be expelled from the IMF are alarmist.

[Begin recording] [Reporter] What is the purpose of your meeting with the APRA Executive Board?

[Garcia] I am an APRA Party militant. As such, and in my capacity as president of this country, I am here to brief my companeros of the Executive Board on the political situation of the country. I emphasized the economic situation and the upcoming Cabinet reshuffle. I wanted to hear the opinion of the executive board before making a decision on the matter.

[Reporter] Mr. President, what can you tell us about the new Cabinet?

[Garcia] I have not made a decision on the new prime minister or the composition of the new Cabinet yet. Besides, it would be impolite to name a new prime minister before Companero Luis Alberto Sanchez submits his resignation. We all know that he will resign to help the party in the next few month by running as a candidate for the First Vice Presidency. He has not, however, submitted his resignation yet.

[Reporter] Is it true that engineer Felipe Salaverry and other public officials will also be replaced?

[Garcia] Engineer Salaberry will be replaced. I will consult with the APRA executive and the labor federations before I decide who is the most appropriate person to head this important institution [Peruvian Institute of Social Security] for workers. I reiterate that we would like to find a labor leader with enough experience in administration to head it.

[Reporter] How many changes will you make in the Cabinet?

[Garcia] At this time we are considering six or seven. [passage omitted]

[Reporter] Mr President, the IMF has not replied to the Peruvian proposal to pay part of the debt. Meanwhile, officials have reiterated that countries with delinquent debts might be expelled from the IMF.

[Garcia] I believe the talk of expelling Peru is only an electoral issue that is being brought up because of the upcoming election. Politically it is not possible to expel Peru. The IMF can, of course, demand that we pay what we owe them. The IMF is like any bank. It is a multinational bank to which we owe money. We have said that we will be able to pay if conditions are changed: if terms are extended and interest is reduced. Besides, the IMF is a financial system that imposes ideological conditions on our countries. It requires that we reduce consumption—much more than we did this year—to guarantee the payment of the debt, and to make sure it will be able to repay its own debt. We cannot accept this situation.

We have made a proposal that the IMF will have to evaluate because there is no easy answer. Today I talked on the phone with Economy Minister Vasquez Vazan. Vasquez has held a long meeting with an IMF delegation headed by (Mr. Besa). His impressions are that the IMF considers our proposal to be viable—not impossible, as the opposition maintains. [passage omitted]

[Reporter] What can you tell the Peruvian people about the dollar price rise on the parallel market?

[Garcia] It is obvious that the parallel market receives dollars from the cocaine trade. All of us know that. The fight against drug trafficking in Colombia and the operation we have carried out against the illicit trade in the Huallaga Valley during the past weeks have reduced the volume of dollars on Lima streets. Furthermore, some economists have said that if the economy minister is changed we would have a big devaluation of the inti.

As president I can definitely say that we will not have any big devaluation. On the contrary, I think the official price of the dollar should be reduced. Right now it is better to save in intis because the interest rates are above 20 percent. [passage omitted]

[Reporter] Mr. President, I do not want to be alarmist, but two mayors and a councilman were killed in a week. The state is practically nonexistent in some areas. How do you propose to guarantee the electoral process and democracy in these areas?

[Garcia] We will do everything possible. We will use all our police forces and our military forces. We will use the new helicopters to try to guarantee the democratic stability and security of candidates. But as Mantilla [former Interior Minister Agustin Mantilla] once said, it is difficult to protect the 40,000 candidates running for all positions. You will agree that it is very difficult to protect all of them. We will do everything possible, but political parties and the candidates themselves should help with their own protection. [passage omitted]

### Garcia Installs Debureaucratization Tribunal

*PY2809145889 Lima Television Peruana in Spanish 0100 GMT 28 Sep 89*

[Excerpts] President Alan Garcia Perez this afternoon attended the installation of the Tribunal for Administrative Debureaucratization [Tribuna para la Simplificacion Administrativa]. The ceremony, which was held at the Freedom and Democracy Institute on Benavidez Avenue, was also attended by Hernando de Soto, head of the institute, and by Guillermina Flores, chief of the National Public Administration Institute.

During this ceremony, President Garcia publicly reprimanded those government employees who violated the Law on Administrative Debureaucratization, and corrective action against them was taken. The sanctions applied to the government officials resulted from reports by the people to the media, which prompted actions by city councils and by the Freedom and Democracy Institute in its capacity as a technical secretariat.

The president admonished government officials from various organizations, including the Economy and Finance Ministry, the Interior Ministry, the Health Ministry, the Agriculture Ministry, the Commerce Ministry, the Customs Office, and the Immigration Office.

[Begin Garcia recording] We are starting today, Wednesday. We will meet again on Saturday, 7 October, and every subsequent Saturday until we make sure that every government official and employee and the people at large are fully aware of their rights and duties.

The law and its regulations list as many as 35 steps that would make the daily life of all citizens much easier by sparing them from government regulations and demands. Three weeks later [as heard], we are here to verify whether the people have become aware of their rights and whether government officials and employees are aware of their new obligations.

We are discovering that in some cases, and possibly in many more cases, the objectives of the law and its regulations have not been fulfilled. [passage omitted]

When the Law on Administrative Debureaucratization and its regulations are fully implemented, Peru will save many work hours by doing away with the paperwork involved in issuing licenses and by eliminating long lines. This is the ultimate objective of these legal provisions. They can only be effective, however, if their enforcement is verified. Each complaint or report will be registered and will be studied each Saturday. [passage omitted] [end recording]

### Vice President Sanchez Tenders Resignation

*PY2909025689 Lima Television Peruana in Spanish 0100 GMT 29 Sep 89*

[Text] In a letter addressed to the chief of state, Dr Luis Alberto Sanchez, first vice president of the Republic, today tendered his irrevocable resignation to the posts of president of the Council of Ministers and minister of the Presidency.

In his letter, Sanchez explains that, pursuant to the incompatibility of being a minister and a candidate for the Senate as stipulated by the Constitution and the law, he is forced to resign both posts.

Sanchez also thanked President Alan Garcia and the Cabinet for their cooperation, and he reiterated his expressions of solidarity, affection, and personal friendship.

### Minister Opposes Using Troops in Antidrug Fight

*PY2909031089 Lima Television Peruana in Spanish 0100 GMT 29 Sep 89*

[Text] In New York today, Peruvian Foreign Minister Guillermo Larco Cox met with the UN secretary general. He also met with the Group of Eight foreign ministers, with whom he will prepare in Trujillo the presidential summit scheduled to occur in Ica 11 and 12 October 1989.

In his meeting with the Peruvian Javier Perez de Cuellar, Larco Cox said that the Peruvian Government is opposed to the creation of Green Berets; that is, combat troops to struggle against the drug trafficking, a proposal made by Jamaica at the UN General Assembly.

### Alleged Leader of Terrorist Command Captured

*PY2809035289 Lima Television Peruana in Spanish 0100 GMT 28 Sep 89*

[Excerpt] In a spectacular operation this morning, Dircote [Antiterrorist Directorate] personnel captured the alleged leader of the self-styled Rodrigo Franco Command [Comando Rodrigo Franco], Jesus Rios Saenz, alias Chito Rios, the man most wanted by the police.

Immediately after his capture, Rios Saenz was taken, under heavy police protection, to the Chamber of Deputies investigative committee on paramilitary groups where he was questioned for more than 2 hours.

Committee chairman Cesar Limo Quinonez has reported that Rios Saenz emphatically denied that he belong to the terrorist cell and that he participated in the attack against the morning daily EL DIARIO.

### Terrorists Raid Ancash; Mayor, Peasants Shot

*PY2809204089 Lima Television Peruana in Spanish 1800 GMT 28 Sep 89*

[Hernando Mantilla report from Ancash Prefect]

[Text] [Begin recording] [Mantilla] I thank Channel 7 for this opportunity to report on an incident that occurred here yesterday.

At approximately 2020 on 27 September terrorist destroyed Yungay's power towers 180 and 181, causing a blackout in the Huailas region. At the same time the

terrorists placed a bomb under an express bus to Ancash. As a result of this explosion Zulema Trejo Marilu, 18, was injured in the left leg, and one of her toes had to be amputated. Her sister Susi Trejo Marilu, 16, was injured in the face.

The terrorists also attacked the house of Tomas Vidal Ramirez Garcia, former mayor of Marcara District, Carhuas Province. Ramirez is a member of the United Left.

The terrorists kidnapped Ramirez and dragged him toward Huaraz but stopped on the Hangas bridge and executed him. One shot him in the throat and another shot hit him in the chest. Ramirez was evacuated by Marcara priest (Helio Hianili), who was also wounded. He was taken to a hospital, underwent surgery, and is now resting and recovering.

In Marcara, terrorists killed Daniel Vedon and wounded Eloy Cruz.

All these incidents occurred in Macara District, in Huaraz Province.

[Reporter] Is this part of a Shining Path offensive in this part of the country?

[Mantilla] Thanks to the tireless efforts by General (Cesar Pecci Regifo), the commander of the 4th Chavin Region, and by the directors of the various police departments, a dragnet was performed all over Huaraz. Some 300 persons were arrested, of whom 35 are still being held, seeking to identify the subversives.

Approximately 25 terrorists abducted the former mayor, who is now recuperating in the Huaraz hospital.

[Reporter] Are there any detainees?

[Mantilla] Thirty five people are being held under arrest pending an investigation. [end recording]

### Six Policemen Die in Clash With Terrorists

*PY2709144589 Madrid EFE in Spanish 2013 GMT 26 Sep 89*

[Text] Lima, 26 Sep (EFE)—The progovernment newspaper LA CRONICA reported today that six Peruvian policemen died on 23 September in a clash with a column of terrorists in Hatupampa, in the highlands of the Andean Department of Ayacucho.

LA CRONICA said that some 30 guerrillas attacked the Hatupampa police station last Saturday night with dynamite and submachine guns and that the attack was countered by six policemen.

LA CRONICA said that the attack lasted for several hours and that the policemen died when they were overpowered by the large number of terrorists. "The six policemen who died in the bloody shooting will be buried in Ayacucho tomorrow," the paper added.

The article, which cites eyewitnesses' statements, does not report the names of the policemen killed in Hatupampa, located in the highlands of Ayacucho, 600 km southeast of Lima.

A National Police source has said that at least 100 policemen have been killed by terrorists in the central mountain range departments this year.

The source also reported that on 24 September alleged members of the Tupac Amaru Revolutionary Movement attacked the facilities of the private Santa Teresa farm in Huacho Department, 150 km north of Lima.

During the attack the terrorists burned offices, machinery, trucks, tractors, and irrigation pipe.

## Uruguay

### Sanguinetti Says Venezuelan President To Visit

*PY2709135689 Montevideo Radio Carve in Spanish 0930 GMT 27 Sep 89*

[Text] President Julio Maria Sanguinetti has confirmed an earlier Carve report that Venezuelan President Carlos Andres Perez will visit our country from 15 to 17 October.

During his visit the Venezuelan president will meet with President Sanguinetti and with other government and legislative officials. The Uruguayan Foreign Ministry and Venezuelan diplomats are arranging the details for President Perez, who will come to our country after President Sanguinetti returns from the Group of Eight summit to be held in Lima, Peru. [as heard]

### Lax Control of Financial System Charged

*PY2609202189 Montevideo LA HORA POPULAR in Spanish 16 Sep 89 p 5*

[Text] "The Central Bank is fully aware that operations to launder drug money are being conducted in our country, and yet it has done nothing to stop them," asserted Deputy Juan Pedro Ciganda.

The Broad Front legislator is a former president of AEBU [Uruguayan Association of Bank Employers], a current member of the Finance Committee of the Chamber of Deputies, a member of the congressional investigative commission that is looking into the sales of private banks' portfolios to the Central Bank (an operation that he denounced), president of the investigative commission probing the Mortgage Bank's operations, and a member of the special commission of the Chamber of Deputies that oversees compliance with the rules governing the financial system. Ciganda affirmed that "it would be strange if the advantages offered by the financial market's regulations instituted by the dictatorship in 1974 were not used to launder drug money."

Ciganda noted: That drug money is being laundered in our country "is well known to Uruguayan monetary authorities, who, with an absurd and unique attitude,

delegate to private financial entities the decision whether or not to transact those operations."

Uruguayan Central Bank President Ricardo Pascale recognized that the authorities are doing nothing to prevent drug money from being laundered here, and he pointed out that "the financial institutions in our country have their own strong controls regulating their operations or the deposit of funds whose origin is unknown."

The alleged effectiveness of the self-regulation system implemented in private banks operating in the country was flatly denied by Deputy Ciganda, who asserted that "bank employees have repeatedly told me of operations through which foreigners have opened accounts in local banks by making hefty cash deposits with dollar bills and then issuing checks to banks in the United States. These operations are allowed in our country without the least control by the authorities, and, obviously, they might be related to the laundering of drug money."

As for the assertion by Central Bank President Ricardo Pascale that courts have made no formal requests to the Central Bank in this regard, Deputy Ciganda noted that this is only logical since no measure has yet been adopted against the laundering of dirty money, and that of course the private banks do not repudiate such operations and neither does the Central Bank.

"The strict secrecy of bank accounts; the free movement of money, securities, and precious metals in and out of the country; and the freedom to carry out any type of financial transaction are the best guarantees for operations to launder drug money," Ciganda asserted. He then added that both the current government and the main candidates for the traditional parties are committed not only to maintaining the financial market's regulations, but to improving the market through "permission for the establishment of financial entities specializing in 'off shore' operations and with the installation of investment banks that will administer long-term investments. These institutions may very well become parts of the machine for laundering drug money."

## Venezuela

### Perez Reports $600 Million Stopgap Loan Signed

*PA2909031989 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 29 Sep 89*

[Text] Venezuelan President Carlos Andres Perez said in New York that in October the country will initiate the last stage of the debt's renegotiation. He reported that a $600 million loan was signed today.

[Begin Perez recording] At last, we succeeded in taking another step in our difficult debt negotiations. A $600 million stopgap loan was signed in Washington today. In October, we will initiate final talks on the country's debt reduction and renegotiation. Of course, this optimism does not necessarily mean that we will have a favorable decision in a few days. We will have to fight hard. Weeks of difficult negotiations await us, but we will eventually succeed. [end recording]

According to Perez, the voice of the Venezuelan people was heard in these days of intense activities in New York. The balance of the trip, in which he met with U.S. President George Bush, and the Brazilian, Argentine, Paraguayan, and Guatemalan presidents; the UN Secretary General; more than 10 foreign ministers; and leading representatives of the finance sector is a great step toward achieving the proposed goals. Perez and Soviet Foreign Minister Eduard Shevardnadze reaffirmed their objective of achieving detente in Latin America. They also discussed subjects of common interest more in depth this time. Shevardnadze will begin a tour through Latin America shortly with his first stops being Nicaragua and Cuba. This meeting between Perez and Shevardnadze offered the second opportunity for a dialogue, demonstrating the mutual interest of both nations for greater rapprochement. The Soviet minister described the meeting as very positive. Shevardnadze was asked about Perez' proposals for improved relations between industrialized and developing nations. The minister was also asked on the Soviet Union's participation in the efforts for peace in Central America.

[Begin Shevardnadze recording in Russian with superimposed Spanish translation] We participate actively in this effort in the fullest sense of the word. All of these problems will be discussed in Nicaragua and Cuba. The processes have already started. We have to develop them and carry them to their completion. [end recording]

In addition, Perez said the meeting served to reaffirm common purposes and that he thinks this is the beginning of an open and fruitful dialogue.

[Begin Perez recording] Foreign Minister Shevardnadze will now visit Nicaragua and Cuba. I told him we anticipate this visit with optimism because we know it carries a message from the Soviet Union, which fills us with hope and meets mankind's expectations for peace and well-being. [end recording]

Perez' visit to New York culminated with a speech at Cornell University, where he was granted an award that is only bestowed on leading personalities. Many of the proposals discussed and analyzed in New York will be discussed in Lima on 11 October, when the Group of Eight will meet in a new Latin American effort to achieve peace, stability, and greater cooperation for the region.